

# The NATIONAL UNDERWRITER

[[ MORE THAN INDEMNITY—  
The Insurance Industry Serves The Community ]]

## Job Placement For The Disabled



**T**HOUSANDS OF DISABLED VETERANS are already knocking at the doors of industry. Studies now in progress reveal some highly satisfactory examples of employment—and some cases of complete misplacement.

Case #1. Bill Jones was a veteran. His battle wound was epilepsy. Employed in a factory maintenance department, the foreman was told to "watch him." Bill felt fine, but one day he climbed a ladder to fix a steam pipe. He fell—was killed.

Case #2. Jim Carter lost a leg in a Pacific jungle. But Jim took a job at a lens grinding machine, doing precision work requiring finger dexterity. His artificial leg got him to work and back. On the job his fingers netted him over-the-quota bonuses. Jim is happy and productive.

The National Conservation Bureau is preparing a booklet for employers to show the basic steps necessary for the proper employment of the disabled—whether veteran or civilian. The physical requirements of various jobs will be analyzed on charts showing the extent to which they require standing, sitting, walking, climbing, stooping, pulling, good vision, etc. Such charts can then be matched with charts covering physical capacities of the worker. The resulting placements should put men in jobs they can do productively—and safely.

Through studies like these the Casualty Insurance Industry helps employers and employees to reach their common goal of safer working conditions for the individual, more efficient production for industry, and the widest possible employment of disabled veterans.

*A Comprehensive*



*Reinsurance Service*

*Casualty and Bonding Lines*

**GENERAL REINSURANCE  
CORPORATION**

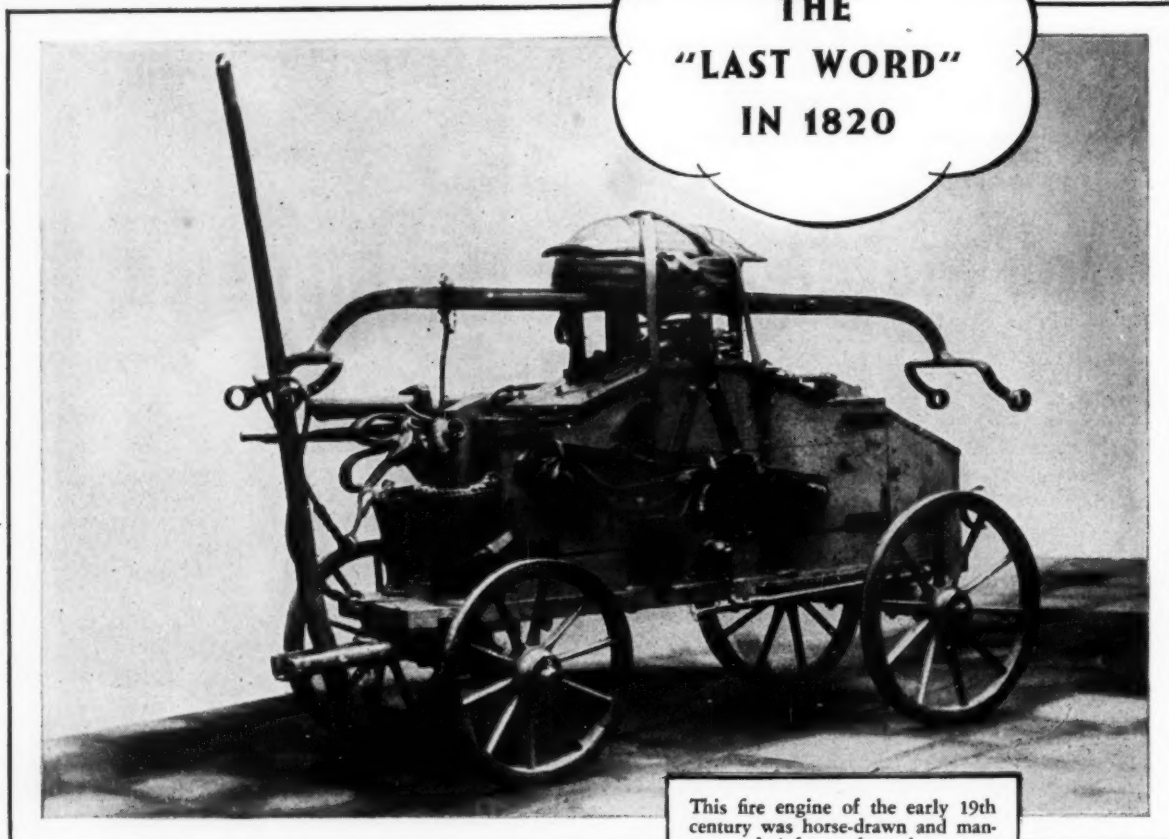
*Fire and Allied Lines*

**NORTH STAR REINSURANCE  
CORPORATION**

90 John Street, New York 7 • 200 Bush Street, San Francisco 4

**THURSDAY, SEPTEMBER 13, 1945**

THE  
"LAST WORD"  
IN 1820



from the Bettmann Archive

This fire engine of the early 19th century was horse-drawn and man-powered. A far cry from the streamlined, fully mechanized equipment of today.

Is the insurance coverage of your clients the "Last Word" Today?

Through many years National Fire Group Companies have made it their business to keep abreast of conditions . . . and to help agents render the LAST WORD in service to their communities.

The National Fire Group Companies have grown through this principle of modern SERVICE—service to agent and insured. The agents have grown with them.

## The National Fire Group

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD  
MECHANICS and TRADERS INSURANCE COMPANY

FRANKLIN NATIONAL INSURANCE COMPANY OF NEW YORK  
TRANSCONTINENTAL INSURANCE COMPANY

UNITED NATIONAL INDEMNITY COMPANY

EXECUTIVE AND ADMINISTRATIVE OFFICE, HARTFORD 15, CONN.

WESTERN DEPARTMENT

175 W. JACKSON BLVD., CHICAGO 4, ILL.



PACIFIC DEPARTMENT

234 BUSH STREET, SAN FRANCISCO 20, CAL.

MEMBER THE ASSOCIATED AVIATION UNDERWRITERS

# THE EAGLET GROWS UP!



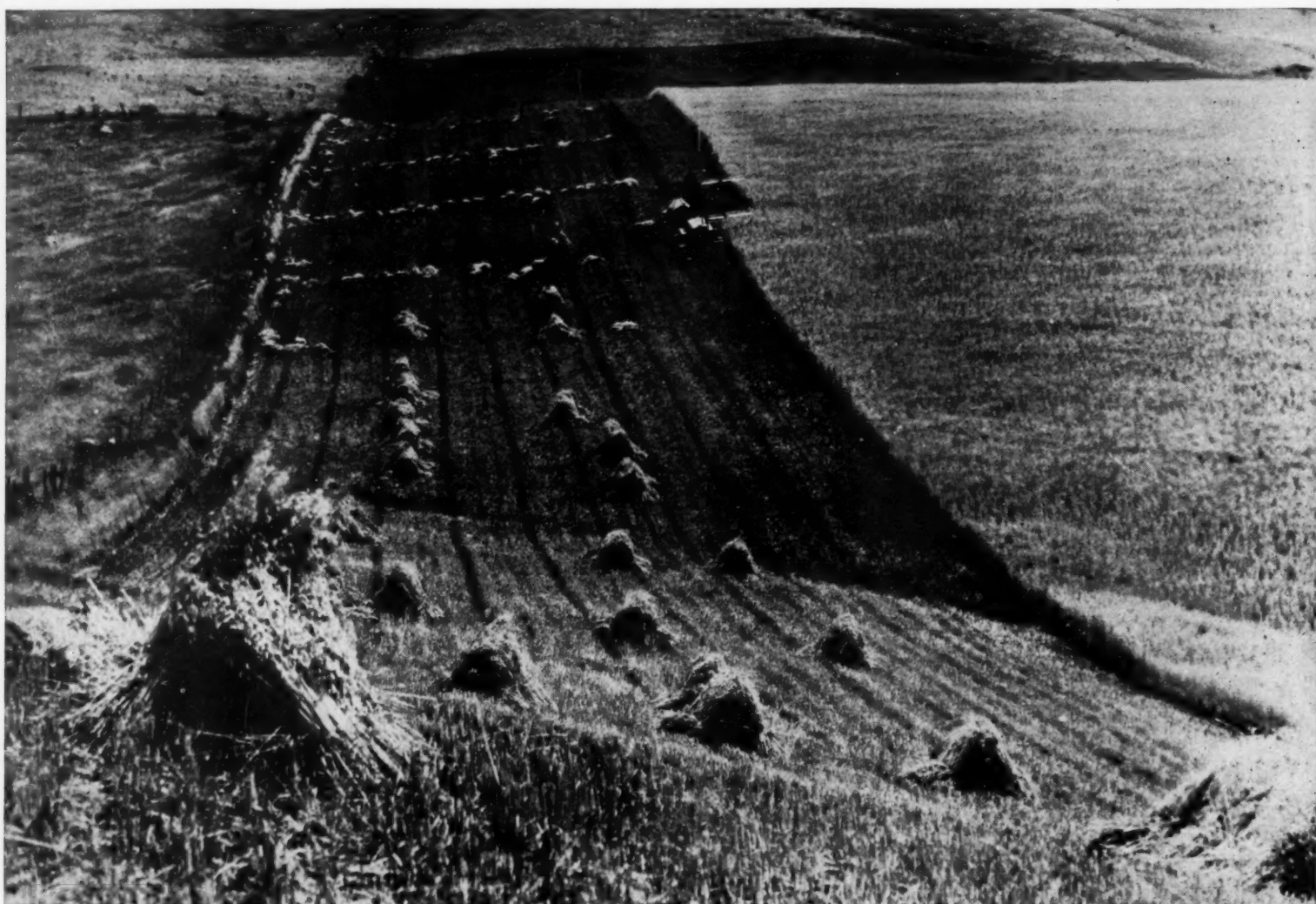
1920

1945

## 25<sup>TH</sup> ANNIVERSARY

AMERICA'S YOUNGEST  
LEADING STOCK CASUALTY  
COMPANY . . . AFFILIATED  
WITH AMERICA'S OLDEST  
STOCK FIRE AND MARINE  
INSURANCE COMPANY.

*Indemnity*  
*Insurance Company of* **NORTH AMERICA**



## Harvest Time

There is a time of planting and a time of harvest.

Now, in this autumnal season, we can see about us the full harvest—so important in the winning of victory. These crops, so carefully planted, were harvested only after they had reached their full maturity.

This planting and harvesting process can be, indeed should be, applied to the purchase and holding of Victory Bonds.

Most Americans have invested their funds in U. S. Government Bonds, earmarking that money for a definite future purpose. To cash them prematurely, is to defeat the objectives for which they were purchased.

When these bonds are cashed to make unnecessary purchases of goods under present conditions, the purchaser gets less for his money and dissipates funds intended for specific uses.

Next time you think of cashing in your bonds—think of the day when you will get your money's worth and *more*. Hold them and remember why you bought them.

★ THE HOME ★  
*Insurance Company*  
NEW YORK

FIRE ★ AUTOMOBILE ★ MARINE INSURANCE

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## Priorities Clause Is Knocked Out Effective Aug. 21

### Charge for Assumption to Be Refunded on Pro Rata Basis

NEW YORK—Discontinuance of the priorities exclusion clause and elimination of it from all outstanding policies without additional premium charge has been recommended by the Eastern Underwriters Association to all rating organizations in its territory.

The rating methods committee also recommended that the use of the priorities assumption clause be continued for the present and that its attachment to time element policies be permitted without charge. It urged that the charge made for the priorities assumption clause be refunded on a pro rata basis by endorsement and that all changes be made effective as of Aug. 21, the date of the war production board's directive No. 7 applicable to L-41.

While the recommendation is not effective in any territory until adopted by the individual rating organizations, it is hoped that it will be adopted and so provide for uniformity of action and concurrent date throughout the eastern territory.

The program recommended by E.U.A. is being put into effect promptly by the various rating jurisdictions throughout the country.

Immediately prior to the action of the organizations in doing away with the priorities exclusion clause and the double rate for priorities assumption, North America announced that it had taken such action in Pennsylvania and Maryland, and that a pro rata return premium would be granted on all policies in force to which the time element assumption endorsement is attached and for which an additional premium was charged.

The North America's statement expressed the belief that conditions responsible for the adoption of these clauses no longer exist to a degree that warrants continuance. For months, the statement declared, "we have advocated a modification for elimination in the rate increment for attachment of the time element assumption clause."

"With the end of the war and the prompt modification of government directives which made these clauses necessary, we felt that it was imperative for the rating organizations to take immediate action. It became evident, however, that action was being delayed by outside influences and we found it necessary individually to follow the procedure required for the withdrawal of these clauses."

The time element exclusion clause, the North America declared, becomes obsolete in its policies and the clause on existing policies will be inoperative but may be voided by endorsement.

Associated Reciprocal Exchanges eliminated the priorities clauses from their policies effective Aug. 28. For the priorities assumption clause, these institutions collected a 50% charge in connection with U. & O. policies and for rent insurance the extra charge was 100%.

All rating organizations in E. U. A. territory have now taken the action recommended by the association.

## N. D. Treasurer Resigns to Accept Insurance Post

BISMARCK, N. D.—Governor Aandahl has appointed Otto G. Krueger to fill the unexpired term of the late Oscar E. Erickson as North Dakota insurance commissioner.

Mr. Krueger was born in Russia in 1890. He came to North Dakota in 1910 and has farmed extensively in Wells county for the past 35 years. In 1920 he was elected county auditor of Wells county, holding the office for 20 years. In 1941 he was appointed deputy income tax commissioner and in 1944 was elected state treasurer. He resigned this latter office to accept the appointment of insurance commissioner.

Mr. Krueger is well considered and has general approval, based on his administration in previous offices. He resigned as state treasurer at the insistence of Governor Aandahl, who is desirous of developing the insurance department to the highest possible point of efficiency.

Just prior to the announcement, newspapers quoted Gov. Aandahl as stating he had not been able to find a successor to Mr. Erickson. Gov. Aandahl disclosed that he had offered the office to H. A. Kluver of Minot but that Mr. Kluver was not able to accept.

Mr. Krueger's appointment is for the term expiring Dec. 31, 1946. It is the first time in the history of North Dakota that a constitutional state elective official has resigned to accept appointment to a second constitutional state elective office.

Mr. Krueger declared that there will be a change of policy in the insurance department. "It will be my endeavor to give the people of North Dakota the greatest benefits of the insurance department," he declared.

## End of Excess Profits Levy on Insurers Is Forecast

WASHINGTON—Tax revision legislation, early next year if not this, seems likely, in the opinion of insurance observers here. President Truman has recommended "limited" tax cuts applying to 1946 income. Senator George, chairman of the finance committee, and Chairman Doughton of the House ways and means committee, agree that something should be done. They plan to start the wheels in motion soon, with a view to final enactment of legislation, if possible, before January. If agreement can be had in advance among Congressional and administration leaders as to the extent and general terms of the proposed tax cut, it probably can be put through Congress on greased skids, as was the corporation reconversion 5-point tax relief bill a few months ago.

While exact tax reductions are as yet only a matter of speculation, the prospects indicate relief for insurance companies and other corporations from the excess profits tax, in whole or in part, possibly effective Dec. 31, 1945; also relief for individual taxpayers, possibly in the form of a horizontal cut in all individual rates, or repeal of 3% income tax or a percentage credit against total tax liability as computed under existing rates.

## Arizona Agents to Meet in Nov.

Nov. 9-10 tentatively have been selected as dates for the annual meeting of the Arizona Association of Insurance Agents. For the last two years the meetings have been severely curtailed, but with gasoline rationing eliminated the association plans to hold a full session.

## Wis. Outlaws Repair, Replace

MADISON, WIS.—Commissioner Morvin Duell of Wisconsin has issued a ruling that so-called repair or replace insurance may not be issued in Wisconsin and he has requested the cancellation of all such policies which have been written on properties located in this state. This type of cover was introduced by the factory mutual companies early this year and was later introduced in the boiler and machinery field by Mutual Boiler of Boston.

The Massachusetts department, after conducting hearings, took the position that repair or replace coverage is not authorized under the Massachusetts laws.

## N.A.U.A. Makes Provision for Filing for Subscribers

The National Association of Automobile Underwriters will accept non-members as subscribers for rate filings in those states with new filing requirements which compel all companies to file as either members or subscribers of rating organizations. The association will accept subscriberships even in states which permit as an alternative the independent filing of rates if supported by adequate data. However, it will not accept subscribers except where the law or a ruling of the commissioner requires it.

Some subscribers have already been accepted in New Jersey and in New York.

The N.A.U.A. has notified its members that it will file on their behalf in states where it has been or will be approved as a rating organization. However, from other sources it was learned that the question arises in Connecticut where the law goes into effect Oct. 1. Tennessee which became effective Sept. 1; New Mexico, where there is no statute but a ruling by the commissioner, effective Sept. 1; Arizona, Alabama, where the law becomes effective in December; Maryland, effective about the first of the year, and Florida, where the requirement is already in effect but a period of grace is provided to allow existing rating organizations to adjust their procedure.

About half of the automobile writing companies are not members of the N.A.U.A. and if they are in doubt as to whether they must become subscribers in any given state the safest course is to ask the insurance department. The statutes are all different and under some it is not clear in the absence of an interpretation by the commissioner whether subscribership in a rating organization is required or not.

## Cowie President of Monarch and Eureka-Security

D. J. Cowie, who was recently appointed U. S. manager of Pearl, has now been elected president of the affiliated Monarch Fire and Eureka Security F. & M.

H. K. Jarvis, branch secretary of Pearl, who has been assistant treasurer of Monarch and Eureka Surety, has now been elected treasurer. That was the position that had been held by Mr. Cowie until this time.

## Elect New Advisory Group

SEATTLE—The Board of Marine Underwriters of Seattle held a special meeting to elect a new advisory committee and to discuss the new Washington-Oregon-Alaska fishing vessel memorandum which is now in effect.

## North America Introduces Annual Premium Term Plan

### Collects Full Annual Charge 1st Year, 80% for Four Years

An optional plan for the payment of term fire policies in annual installments is being introduced by North America. It is now effective in Nebraska and California. Other states will follow as rapidly as clearance can be obtained from the proper authorities.

The initial installment for a term policy is equal to an annual premium and each succeeding installment is equal to an annual premium less a substantial discount. Policies may be written for the usual terms up to five years. It is understood that in the five year plan, the premium for the second through the fifth year is 80% of the full annual premium, rather than the 75% which would make the five annual installments the mathematical equivalent of four full annual premiums.

In addition to the installment feature, provision is made for the reinstatement, without additional charge, of the policy after a loss. This puts a holder of a policy with the installment premium endorsement in the same position as a holder of a prepaid term policy with an unearned premium insurance endorsement when the proceeds thereof are used to reinstate the policy. The cost of this feature is included in the charge made for the use of the installment premium endorsement.

North America stresses the fact that the plan is simple and states it is expected to expand term writings and thereby reduce expenses for both agent and company.

"It is our belief that the inequality between the cost of annual and term policies has created a demand for an installment form," North America declares. "We have unsuccessfully advocated the general adoption of a plan to make available to the holder of an annual policy, at a reasonable charge, the same benefits as are available to the holder of a term policy."

### Similar to General's Plan

The plan which North America is introducing is quite similar to that which General of Seattle is credited with having originated in 1930. A number of other independent companies subsequently adopted the General of Seattle plan or introduced variations of it. It proved to be especially attractive to many assured during the depression years when buyers were counting their pennies closely and welcomed the opportunity of getting advantage of almost the full term premium discount without the necessity of writing a check for the entire amount at the outset. It was a potent competitive weapon and created considerable disturbance in the field although it has not been a subject of agitation during the prosperous war years.

A number of states have prohibited the use of this plan. Commissioner Fischer of Iowa has been particularly antagonistic to it and whenever the subject comes up, characterizes it as the "Russian plan." The Illinois department

(CONTINUED ON PAGE 17)

## Blomgren Executive Secretary in Minn.

### Membership at Alltime High—New Dues Schedule Adopted

MINNEAPOLIS—For the first time since it was organized nearly half a century ago, the Minnesota Association of Insurance Agents is soon to open a full-time office in Minneapolis with George Blomgren, until recently manager of the Minneapolis Underwriters Association, as executive secretary.

A committee composed of President William Knudsen, Hibbing; Chairman George Thompson, Minneapolis; Richard Thompson, Frank Preston and Mr. Blomgren has been designated to make the arrangements for the new office, which will be in the Builders Exchange. Adjoining will be the office of the Minneapolis local board with a part-time clerk in charge. Mr. Blomgren will also supervise the Minneapolis board office as part of his duties.



George Blomgren

### New Dues Schedule Adopted

The association has set up a budget of \$16,500 a year to carry on its work, of which \$5,000 will be the salary of Mr. Blomgren, \$1,350 for a stenographer and \$1,850 for travel expenses. To raise the funds for this budget the association has adopted a new schedule of dues, effective Sept. 1. The maximum is \$150 a year for the larger agencies. The state association now has an all-time high membership of 766, according to the report of George Parkos, New Prague, membership chairman, at the annual meeting. Arthur Hirman, Rochester, finance chairman, said the success of the new dues schedule will depend on the honesty of the members in paying their proper dues.

### Preston's Work Praised

At the annual meeting the retiring secretary-treasurer, Frank Preston, Minneapolis, was praised by several speakers for his efficient work and the resolutions committee recommended that a dinner be given in his honor. There was a brief but animated debate over a resolution calling on Congress to place mutuals and certain types of cooperatives on the same tax basis as other lines of business. It was finally decided to refer the question to the executive committee for further study.

The conference committee was asked to make a further study of rates and forms applying to insurance in Minnesota and to study such changes made in other states which would be beneficial to local agents and their clients.

Commissioner Johnson was commended for his efforts to improve the standards of agents' qualifications and the executive committee was requested to name a special committee to work out a plan to strengthen the present agents' qualification laws.

The legislative committee was praised for its part in the enactment of the safety responsibility act and the companies were commended for their help in publicizing the new law.

A resolution recommended that the association take steps to provide an acceptable program of education for returning service men.

In reviewing the work of regional associations, Chairman Meril Rolfsen said the end of the war opens the way for resumption of regional meetings, which have been interrupted to some extent by travel restrictions.

In reporting as state national director,

## North America, Fire Ass'n Men Quit Field Groups

Field men of Fire Association and North America have resigned from all of the various field men's organizations in the Pacific Coast territory. One report is that these companies acted in accordance with legal opinion that the S.E.U.A. decision and present federal statutes make questionable the legality of associations that limit their members to field men of board fire companies.

Richard A. Thompson said there is too much of a tendency among agents to look upon the companies as abstract organizations rather than to consider them from the viewpoint of the individuals who manage them.

"We are spending a great deal of time on company relations, trying to bring about uniformity of opinion as to procedure on state regulatory laws, uniform, countersignature laws, overhead writing, curtailing branch office competition, non-policy writing agents and a score of other debatable problems affecting our business," Mr. Thompson said. "Nevertheless, we should never lose sight of the fact that we expect our associations, both state and national, to inspire us constantly to be better equipped to do our job as purveyors of financial security."

### BLOMGREN BACKGROUND

Thirty-three years of insurance experience, embracing local agency, home office and field work, is the background which George W. Blomgren brings to his new post as full-time secretary of the Minnesota association. Starting as office boy in 1912 in the old Minneapolis Insurance Agency, no longer in business, Mr. Blomgren became experienced as a filing and billing clerk and in 1916 went to the home office of Northwestern F. & M. in charge of the supply department, later doing filing and map work and then became assistant to the manager of the loss department.

During the first war Mr. Blomgren served as radioman in the navy, returning to the Northwestern F. & M. after his discharge from the service. In April, 1921, he went with the Security of Connecticut as special agent, later becoming state agent and serving until 1941. About two years ago he was appointed manager of the Minneapolis Underwriters Association.

Mr. Blomgren has been active in the Minnesota Blue Goose where he held all pond offices. He served on the executive committee of the Minnesota Underwriters Association and on the speakers' bureau of the Minnesota Fire Prevention Association. Mr. Blomgren is a native of Minnesota, having been born at St. Peter 47 years ago.

William Knudsen, the new president of the Minnesota Association entered insurance in 1916 in Hibbing on a part time basis. He took time out to serve in the first World War, but returned to the insurance business upon his discharge, on a full time basis. In 1922 he joined George P. Elieff under the present firm name of Elieff & Knudsen. Mr. Knudsen was one of the organizers of the Range Association of Insurance Agents, the third largest regional association in the state. He was secretary for two terms and then served as president. He has served two years as president of the Hibbing Association.

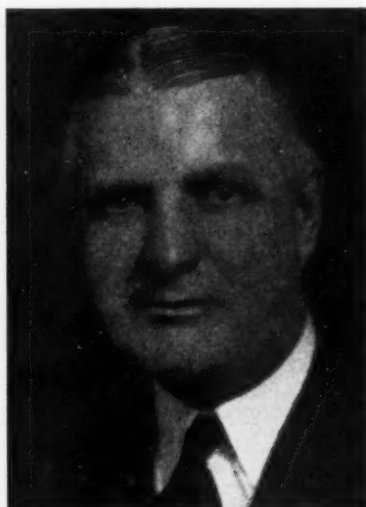
### Frankfort, Ind. Agencies Combine

The Meifeld Brothers have bought the Lockwood Agency from the widow of W. P. Lockwood, former owner and operator, and are combining it with their own insurance business. The Lockwood office is being moved to that of its new owners.

## Name Large Agents Group of N.A.I.A.

John E. O'Neil, Boston, has been named chairman of the large agents committee of the National Association of Insurance Agents. The activities of the committee will be devoted entirely to problems of agencies above the average size and specific problems in large metropolitan centers.

Other members of the committee in addition to Mr. O'Neil, who is a part-



JOHN E. O'NEIL

ner in Fairfield & Ellis and president of the National Association of Casualty & Surety Agents, are:

### Other Members

George W. Haerle, Chas. W. Sexton Co., Portland, Ore.; W. D. O'Gorman, O'Gorman & Young, Newark; Cliff C. Jones, R. B. Jones & Sons, Kansas City; George W. Carter, Detroit Insurance Agency, Detroit; Gustav May, Gustav May & Co., Cincinnati; Wade Fetzer, Jr., W. A. Alexander & Co., Chicago; and Cruger T. Smith, of the agency of that name, Dallas.

The committee will be augmented later by an appointment from New York state.

## All Convention Lids Are Lifted

The announcement this week that all restrictions have been removed on the holding of conventions undoubtedly will mean that those insurance meetings that have been scheduled for this fall will attract a much larger attendance than was expected and perhaps some of the programs will be expanded at this time. Also other organizations that may not have planned to hold meetings this fall may decide to conduct some sort of sessions.

### Expand Mutual Meeting

Following ODT announcement of removal of the ban on conventions, Philip Baldwin secretary National Association of Mutual Insurance Agents, says its meeting of directors and guests scheduled for Oct. 15 at New York will be expanded into a general meeting.

ODT action was based on recommendation of the office of war mobilization and reconversion. Previously, the ban on conventions and meetings had been eased to permit gatherings up to 150 without approval of the war committee on conventions.

ODT Director Johnson stated lifting of the convention is not an invitation to travel, nor assurance of availability of transportation. He asked meetings be deferred and kept small when possible until after the peak of troop movement early next year.

## U. S. Chamber Seeks a Broader Basis

### Planning to Encourage American Insurance Companies to Operate Widely

Insurance men are very much encouraged by the work being done by the U. S. Chamber of Commerce along insurance lines especially relating to the extension of U. S. protection to the policyholders in other lands, especially South America, England, China, the Netherlands, Norway, Sweden, France and other promising lands. The U. S. Chamber is rendering yeoman service in encouraging markets in other countries calling attention to U. S. facilities. It believes that there will be a great future in getting concerns in these countries acquainted with United States insurance companies, learning more about their capacity, their financial standing, the lines that they write, the service they can render.

There will be at present more or less dislocation and there will be need of much readjustment before satisfactory insurance work can be established and adequate service rendered. Eric Johnson, president of the chamber, has a world mind and he is a thorough believer in extending the lines of his country in all directions. During his trips into other lands he has made observations of great interest. He feels that United States should take advantage of the present opportunity, being as it is a nation that has risen to great heights on account of the war and therefore should take a prominent part in affording protection to buyers in other countries. He thinks that there will now be a big market for insurance abroad.

## Donchin President of Chicago C.P.C.U.'s

M. H. Donchin of the new Donchin & Hecht agency was elected president

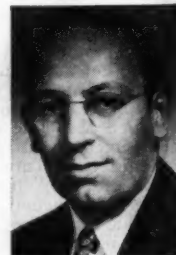
of the Chicago chapter of the Society of Chartered Property & Casualty Underwriters at the first meeting of the season Monday. Mr. Donchin, who received his C. P. C. U. designation in 1944, has been very active in the movement and in promoting study courses in Chicago. He has the unusual distinction of being a chartered life underwriter (C. L. U.) as well as a C. P. C. U.

Other officers are R. B. Ayres, broker with Aetna Casualty, vice-president; M. E. Herzog, secretary, and R. M. Babbitt, Jr., Joyce & Co., treasurer.

The annual open luncheon of the Chicago chapter has been tentatively scheduled for Nov. 2 at the LaSalle hotel. The seven new C. P. C. U.'s in the Chicago area will be presented with their diplomas at that time. Last year's luncheon attracted over 300 people.

Mr. Babbitt, who is national president of the C. P. C. U. organization and who has just been made a trustee of the American Institute for Property & Liability Underwriters, will serve as chairman of the educational committee and expects to inaugurate review courses for all five C. P. C. U. examinations early next year. The Chicago chapter has been approved as an educational and training institution under the "G. I. Bill of Rights," and it is expected that many returning veterans will be interested in the courses.

L. J. Flora, Lumbermen's Mutual Casualty, was appointed program chairman and G. E. Myers membership head.



M. H. Donchin

## Insurers Take Stern Measures to Control Auto Line

### Collision Losses Approach Catastrophe Level—Severe Trimming Is Done

A number of fire companies these days are taking severe measures to bring their automobile experience under control. They are analyzing collision results closely by agencies, territory, type of risk and type of collision cover and are trying to correct any conspicuously unfavorable situations, although they are doing so in the forlorn hope of merely trying to reduce the margin of loss. They have no expectation of producing a profit until the rates are either increased further, the garage and repair shop bills come down or both.

Some companies have found that the 80-20 collision form is giving especially poor results and that the \$25 deductible is nearly as bad. Hence they are discontinuing the writing of these lines and sometimes are ordering cancellation of existing business, in cities and territories that are giving the worst results. Some agents have been compelled to accept a lower commission on automobile business from their companies. Some insurers are cancelling fleet risks that have been consistently on the losing side.

Those companies that have not instituted such negative controls nevertheless have to be on the lookout lest they are made the recipient of business that others are canceling. The loss ratios of most companies on an earned and incurred basis are in the 70-80% range, and on collision alone 100% and more is the prevailing record.

Despite the greatly increased exposure as a result of the lifting of gasoline rationing there are some hopeful factors. To begin with the companies are getting the effect of the 25% rate increase in collision that was put into effect early this year and it is estimated that the effect of putting the rates for all assured on the old C card basis will produce an additional rate increase of about 8%. Then it is hoped that before long the labor and material situation will improve insofar as repairs and replacements is concerned. When automobile parts become generally available a bad bottleneck will be removed. Frequently during the time of the greatest stringency it was necessary for a garage actually to fashion a new part because neither new nor second hand replacements were available. Nevertheless, most companies have determined not to temporize with the automobile line any longer and they have trimmed their business severely even at the risk of incurring agency displeasure.

The insurance companies controlled by finance institutions such as Motors Insurance, Service Fire, etc., it is understood, have been suffering loss ratios sharply higher than those companies doing an agency business. The explanation seems to be that their risks consist almost exclusively of war workers and others that have used their cars intensively. They have not had the sprinkling of A card drivers that the agency companies have had. That then is something of a warning sign. Agency companies now fear that their loss ratios may shoot up to the point of the finance insurers now that driving restrictions are gone.

Leaders in the field use the **Policy Analysis Service**. Write the Accident & Health Bulletins, 420 E. 4th St., Cincinnati 2, O.

## C.P.C.U. Designation Won by 28 More; Total Now 46

At its recent annual meeting in New York City the trustees of the American Institute for Property & Liability Underwriters awarded the C. P. C. U. designation to 28 persons, compared with six who received the designation in 1943 and 12 in 1944. A total of 229 men and women took one or more of the 1945 examinations, compared with 120 in 1944.



R. M. Babbitt, Jr.

Robert M. Babbitt, Jr., Joyce & Co., Chicago, was elected a trustee to fill the vacancy created when Dean Harry J. Loman was made a trustee ex officio. Mr. Babbitt is the first president of the Society of Chartered Property & Casualty Underwriters.

Examinees were from 24 states and the District of Columbia. California and Illinois led with 26 each, Ohio and Pennsylvania were next with 20 each. According to Harry J. Loman, dean of the institute, Philadelphia, 63.7% of the total number of papers were of passing grade.

The candidates successfully completing their examinations this year brings the total number of C.P.C.U.s to 46, and 189 others have partial credit. Of the examinees 157 were over 36, 168 had more than 10 years of insurance experience, 29 were 30 years or younger, and only 20 had less than five years of insurance experience. In addition, 106 hold college degrees and 34 others have attended college or professional schools. Those holding positions at the managerial level numbered 112, and in many cases the 62 brokers and agents conduct their own businesses.

Special awards were made from the C.P.C.U. educational incentive fund for the three best papers on part 1 and part 2 examinations. The three highest papers in part 1 were contributed by Stephen B. Petrik, Elizabeth, N. J.; Myron S. Wall, San Francisco, and Raymond S. Walsh, Ft. Wayne, and in part 2, John D. Phelan, Stevens Point, Wis.; Elihu O. Pierce, Cleveland, and William H. A. Terry, Ft. Worth.

### Names of New C.P.C.U.s

Those awarded the C.P.C.U. designation are:

Christman, Leonard R., executive assistant, Standard Accident, Detroit; Cridle A. Hawthorne, manager casualty and automobile department, Mather & Co., Philadelphia; Dickinson, Malcolm M., manager Newark service office of North America, Newark; English, Elmer D., vice-president of Insurers Service Corporation, St. Louis; Farrer, Richard E., special agent of Home, Grand Rapids, Mich.; Fey, Ralph N., special agent of Fire Association, Cincinnati; Fields, Eugene D., bonding department superintendent of Aetna Casualty, Washington; Gannam, Nicholas, Massachusetts Bonding, Boston; Gilbert, James O., O'Rourke & Company, Fort Wayne; Glover, Harold D., broker, Philadelphia; Goldberg, Martin M., broker and adjuster, New York City; Groff, Gene E., special agent of North America, Los Angeles; Hood, Rodolph V., Liscomb-Hood Company, Duluth; Houston, David B., partner in Edward T. Flood & Son, Philadelphia.

Also, Jacobs, Charles, agent, Los Angeles; Johnson, Richard M., agent, Madison, Ind.; Kramer, Gerald C., O'Rourke & Company, Fort Wayne; Man, E. Lester, president of Man & Levy, Scranton, Pa.; Mann, Guy E., manager of Aetna Casualty, Washington; Myers, Gerald E., sales engineer, W. A. Alexander & Company, Chicago; Oip, M. Robert, Marsh & McLennan, Detroit; Rhine, George E., special agent of Aetna Casualty, Washington; Romans, Joseph G., assistant manager inland marine department, Royal, New York; Roston, Rees E., agent, Los Angeles; Spingarn, Bernard J., agent, Newark; Stock, H. Thompson, Arthur J. Stock Insurance Agency, Detroit; Taylor, Edgar N., manager Richmond, Va. office of Aetna Casualty; Worley, Charles, superintendent boiler and machinery division American Guarantee & Liability.

## Kentucky Agents Set for Sept. 27

### Brown, Stone, O'Connor and Hennessy Speakers On One-Day Program

LOUISVILLE—Hunter Brown, Pensacola, Fla., vice-president National Association of Insurance Agents, will be a featured speaker at the meeting of the Kentucky Association of Insurance Agents at the Kentucky Hotel here Sept. 27.

Edward C. Stone, Boston, U. S. general manager Employers Liability, will discuss federal insurance legislation and James C. O'Connor, Chicago, editor "Fire, Casualty & Surety Bulletins" and associate editor THE NATIONAL UNDERWRITER, will speak on developments in insurance coverages and conduct a forum on post-war problems.

John M. Hennessy, Louisville, will discuss bank-agent automobile plans. He is chairman of the Kentucky association's committee on this subject. A dinner dance will follow the business session and election of officers.

The executive and legislative committees will hold a dinner session on Wednesday evening before the meeting. Norman A. Chrisman, Pikeville, is president and state national director.

## Typermass Named N. Y. Dept. Deputy; Is License Chief

NEW YORK—Carl Typermass, associate examiner in the complaint bureau of the New York department, has been appointed deputy superintendent in charge of the license bureau. He will also have charge of personnel in the Albany office of the department. He succeeds the late George H. Jamison.

Mr. Typermass has been with the New York department since 1930. Before that he was in the premium record department of Guardian Life. He was graduated from New York University in 1927. In the department he has been mainly connected with the complaint bureau. From October, 1942 to April, 1944 he was in the Albany office reorganizing the qualifications bureau, which handles examinations for agents and brokers. Last May, during Mr. Jamison's illness, he served as acting deputy in charge of the license bureau.

### Revise Arkansas Fire Rates

The Arkansas Fire Prevention Bureau has announced that effective Sept. 1 the 8% increase in fire rates for unprotected mercantile buildings and the 14% increase on contents have been discontinued. Also, the 10% reduction formerly applicable to mercantile, industrial, and manufacturing buildings under protection, except those shown on the bureau's excepted list, has been reduced to 5% with the present 5% reduction on contents remaining in force. These changes do not apply to policies in effect prior to Sept. 1, 1945, nor can existing policies be endorsed or cancelled and rewritten except at short rates.

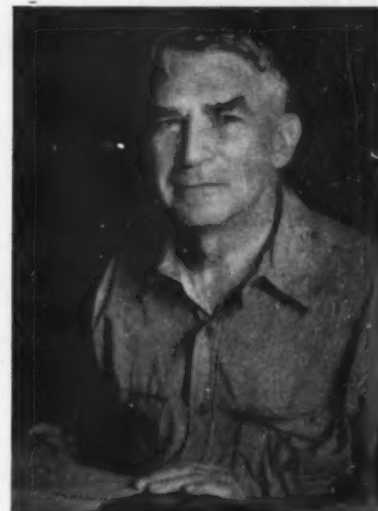
### Security Transactions Reports

In the official summary of security transactions and holdings reported to the Securities & Exchange Commission, July 11-Aug. 10, it was reported that Frank F. Dorsey, vice-president and secretary, sold 100 shares of Fidelity & Guaranty Fire and has 100 shares remaining; Edward C. Baltz, vice-president, bought 50 shares of Firemen's of Washington, D. C., and now has 140 shares; Preston Hotchkis, executive vice-president and treasurer, sold 800 shares of Pacific Indemnity and has 67 remaining.

## Red Tape Slashed in Reestablishing Insurance in Manila

### Louis Pink, Back in N. Y. Releases Report to Philippines' President

NEW YORK—President Louis H. Pink of Associated Hospital Service, former New York insurance superintendent, has returned from the Philippines where for more than two months he was engaged in straightening out the insurance affairs of the war-torn commonwealth. Mr. Pink came back a couple of weeks sooner than he would have preferred but if he had not taken plane space that was immediately available he



MR. PINK ON JOB AT MANILA

faced the possible prospect of being stranded indefinitely in the Philippines, so acute has become the demand for eastbound air transportation now that the war with Japan has ended.

As it was, Mr. Pink left on two hours notice. His work is being continued by Leonard Gardner, who was his counsel when Mr. Pink headed the New York department. Mr. Gardner will remain until about Oct. 1. Mr. Pink made the entire trip from New York City to Manila by plane but coming back he traveled by air only as far as San Francisco. When it came to getting a priority for his air trip across the continent he found that his westward trip had been part of the war effort but that coming back was not, so he came back on the train.

### Manila Incredibly Busy

Manila was an incredibly busy place with military supplies everywhere. Though there were many minor inconveniences and the dust stirred up by the constant heavy traffic was annoying, Mr. Pink says he wouldn't have missed the experience.

"I got quite a kick out of being an insurance superintendent again," he said, explaining that while his title was that of special insurance adviser to President Sergio Osmena the work was essentially that of running the insurance department.

Mr. Pink was in Manila on V-J day but there had been three previous reports that the Japs had surrendered, each followed by extensive celebrating so that when the official announcement came there wasn't much energy left.

(CONTINUED ON PAGE 16)

## Carey Pleads for Better Truck Cargo Underwriting

There is a special need for inland marine underwriters and truck operators to cooperate on financial surveys of risks, adequate protection of trucks, good housekeeping in terminals and keeping equipment safe and up to date according to S. W. Carey, III, executive vice-president of Providence Washington and president Inland Marine Underwriters Association.

In an article in the current issue of "Babaco News," published by the Truck

Alarm Co., Mr. Carey says that there has been progress this year in improving truck cargo underwriting and there should be still further improvement the rest of the year. There are new problems, he pointed out, such as the shift in carrier hazards through production changes and the revival of export business. Also furs are becoming an increasing hazard with a peak volume being transported and many new truck lines involved in their cartage.

"Real progress cannot be said to have been accomplished however, until every underwriter has tightened up his individual underwriting to the extent that

risks cannot shop around for an easy underwriter," he concludes, "Adequate rates and adequate safeguard requirements will be necessary if the high losses on truck cargo business are to be checked."

The issue reviews the crime record in Los Angeles as an example of one of the large metropolitan areas.

### 25% Burglary Increase

The tally shows, for the year to date, a 25% increase in burglary over the same period of last year and a 50% rise over 1943. Holdups are 40% over last year and auto thefts are expected to reach 10,000 by the end of the year.

## Texas Hurricane Loss \$2,000,000 on 18,000 Claims

DALLAS—After making a survey of the area hit by the Texas hurricane of Aug. 26-27, the Fire Companies Adjustment Bureau estimates there will be approximately 18,000 insurance claims resulting in a loss to the companies of approximately \$2 million, according to J. F. Miazza, assistant general manager of F.C.A.B.

The Texas policy covers rain damage caused by hurricane, according to Mr. Miazza and there will be a number of such claims in the storm area due to torrential rain. On Jan. 3, 1944, the \$50 deductible clause became effective in the sea coast area, and the majority of policies carry this endorsement.

### Breakdown of Losses

The F.C.A.B. has prepared a table showing the principal areas involved, the wind velocity, rainfall, estimated number of claims and the estimated insurance loss, with totals, which are given below:

	Wind Velocity	Inches of Rain-fall	Estimated No. of claims	Estimated Ins. Loss
Corpus Christi	90	5	5,000	\$ 300,000
Rockport	100	20	400	90,000
Aransas Pass	100	20	800	80,000
Port Aransas	135	20	100	100,000
Austwell	120	20	75	22,500
Seadrift	135	15	100	30,000
Port O'Connor	138	15	150	75,000
Port Lavaca	135	15	500	150,000
Bay City	125	15	1,200	250,000
Palacios	80	10	400	20,000
Wharton	100	12	600	60,000
El Campo	90	15	500	50,000
Galveston	50	8.3	800	40,000
Houston	41	15.6	6,000	300,000
Farm dwellings, barns			800	240,000
Hotels, schools, cotton gins and special hazard			300	300,000

Total ..... 17,725 \$2,107,500

The estimate does not include towns such as Sinton, Refugio, Ingleside, Edna, Richmond, etc., which have a few small claims, 25 to 50 in each locality.

There are 40 adjusters working in the various towns. The work has been slow because the assured have not been able to secure contractors and carpenters to estimate the damage and assist in making their repairs. Most of the towns have a shortage of experienced mechanics. Labor prices are extremely high.

## Important Functionaries for Commissioners' Meet

Two of the Michigan leaders who will take a prominent part in the mid-winter convention of the National Association of Insurance Commissioners at

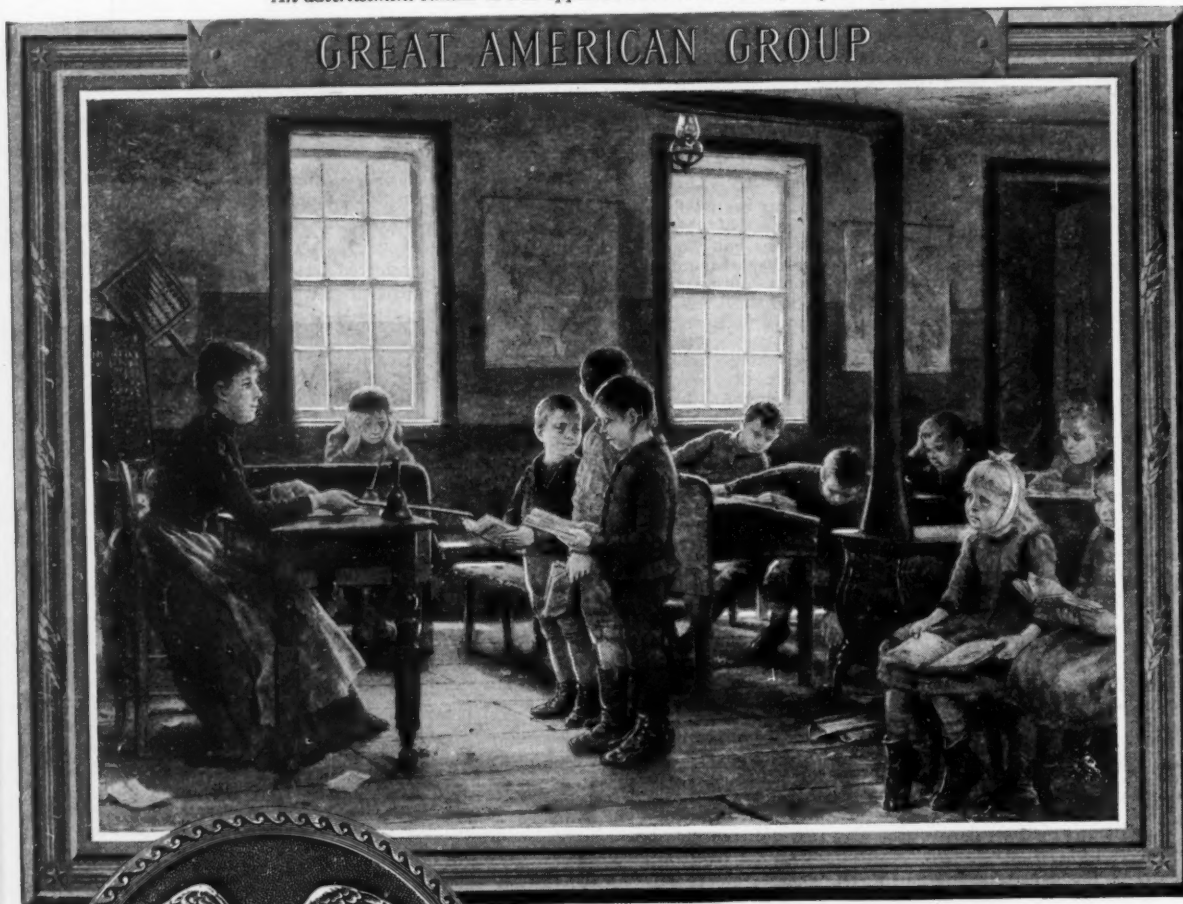


Walter E. Otto George W. Carter

Grand Rapids, Dec. 2-5, are Walter E. Otto and George W. Carter.

Mr. Otto, who is president of Michigan Mutual Liability, is general chairman of the Michigan committee on arrangements for the convention and Mr. Carter, who is president of the Detroit Insurance Agency, will be toastmaster at the big banquet.

"Planned Salesmanship" by Cousins, the book for accident and health business-getters. \$3 from The National Underwriter.



"The Country School," by E. L. Henry



Member Companies—Providing practically every form of insurance except life

Great American  
Great American Indemnity  
American Alliance  
American National  
County Fire  
Detroit Fire & Marine  
Massachusetts Fire & Marine  
Rochester American  
North Carolina Home

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In schoolrooms like that pictured, many great Americans have received their basic training for dealing with life's hazards. The Great American Group of Insurance Companies helps men to deal with hazards by providing comprehensive plans of insurance. Ask any one of its 16,000 conveniently located agents—or your own broker—about the benefits of Great American protection.

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Great American rent or rental value policies reimburse for loss of rental income or provide funds for payment of rent while damaged premises are being repaired.

INSURE YOUR COUNTRY'S FUTURE...BUY VICTORY BONDS

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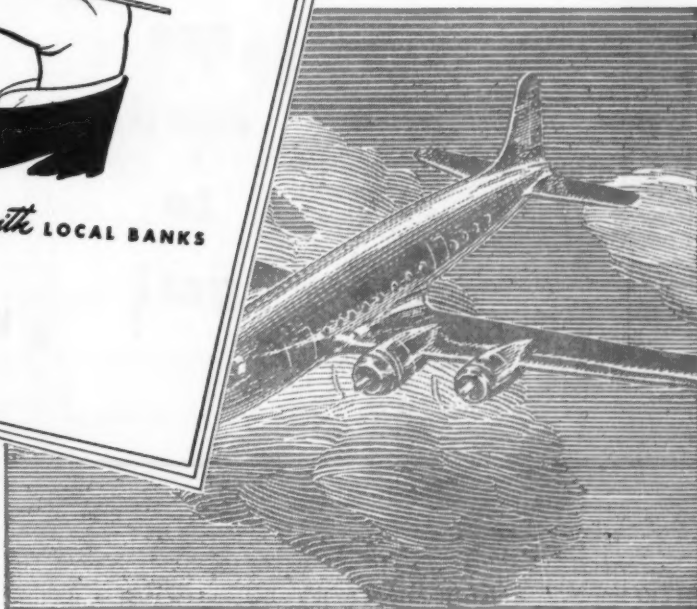
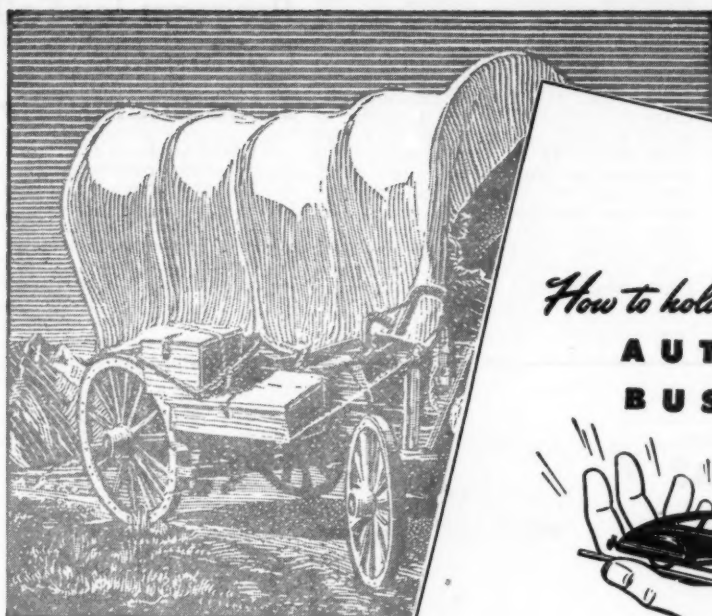


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## Still Pioneering in our 100<sup>th</sup> Year

The American Agency System faces a serious problem. Automobile insurance is a big business. In 1941, the last normal year before the war, stock insurance companies wrote nearly \$600,000,000 worth of automobile policies.

Yet when automobiles are again manufactured, agents are in danger of losing, to various automobile finance plans, a high percentage of the physical damage insurance and possibly a considerable amount of casualty coverage as well.

Fortunately, the growing interest of local banks in the financing of consumer car purchases suggests a way in which agents can meet this competition.

The booklet illustrated above, "How to Hold Your Automobile Business," presents a practical and detailed plan that may solve the agent's problem of controlling the insurance on financed cars. Bank, car buyer and agent all benefit from this plan . . . reason enough to justify its vigorous sup-

port by every local agent, if only as a matter of self interest.

The preparation of this booklet, designed to promote and protect the interests of the American Agency System, is but another evidence of the pioneering activities of this Company, and its affiliates, through a century of service. Copies are available to any agent on request.



**ROYAL INSURANCE  
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## Illinois Legislative Commission Organizes

The Illinois legislature's interim commission of 10 to study the effect of the S.E.U.A. decision and public law 15 on state insurance regulation held its organization meeting at Chicago. Senator Arthur J. Bidwill, River Forest, was named chairman; Representative Harry Topping, local agent at Kankakee, vice-chairman; Senator Thomas E. Keane, Chicago, secretary, and Marion Burks, assistant insurance director, assistant secretary.

A committee of five was appointed

to prepare an agenda. The committee is expected to conduct hearings and develop information and suggestions on which to base recommendations for legislation. The commission consists of three state senators, three representatives of the public and Insurance Director Nellis Parkinson. Representatives of the public on the commission are Chase Smith, counsel of Lumbermen's Mutual Casualty; Joseph H. Braun, counsel of Chicago Motor Club, and Paul F. Jones of Danville, formerly insurance director.

### Confer with Assured in Fla.

Acting on complaints of members of the Gulf Beach Resorts Association that

windstorm insurance policies do not cover hurricane damage, J. Howard Gould, president of the Florida Association of Insurance Agents, called an informal meeting of assured at Treasure Island, Fla., this week. Principal discussion revolved around protests of beach property owners that they had been unable to collect damages from companies on property hit by the June, 1943, hurricane. Much of the damage was from high water and heavy rain, which is not covered under the windstorm policy. Some of the complaints state that property owners were under the impression that their windstorm insurance covered all storm damage.

## Program for Fall Conference of Accountants Given

NEW YORK—The proposed revised classification requirements of the National Automobile Underwriters Association will be the principal topic of discussion at the meeting of the Insurance Accountants Association. Another item which is slated for discussion is the handling of syndicate reinsurance ceded and assumed as one line entries in Schedule T in the annual statement. This change is embodied in the National Board's pamphlet, issued in May, on changes in the annual statement.

Following is the tentative program for the annual fall conference which will be held at the Hotel New Yorker Oct. 18 and 19.

### Oct. 18

9:00 a.m. Registration.  
9:30 a.m. President's address.  
9:45 a.m. Introduction of speaker by Superintendent R. E. Dineen of New York.  
10:00 a.m. Address: Shelby C. Davis, deputy superintendent, New York department.  
10:45 a.m. Recess.  
11:00 a.m. Committee reports.  
11:45 a.m. "Taxation, reinsurance, classification"—N. N. Titcomb, Springfield F. & M.  
12:15 p.m. Luncheon.  
1:45 p.m. "South American Reinsurance"—W. F. Delaney, American International Underwriters.  
2:30 p.m. "Insurance Company Accounting as seen by a Department Examiner"—J. T. Higgins.  
3:00 p.m. Recess.  
3:10 p.m. "System"—J. A. Weston, Fireman's Fund.  
3:45 p.m. "Streamlining the Policy"—L. E. Callahan, "Insurance Field."  
4:30 p.m. Adjournment.

### Oct. 19

9:30 a.m. "Statistics Miscellany"—P. J. Synor, National Union.  
10:00 a.m. "Classification"—R. M. Beckwith, Insurance Executives Association.  
11:00 a.m. "Casualty Accounting and Cost Analysis"—F. S. Perryman, actuary Royal Indemnity.  
11:45 a.m. "Post-War Taxation"—V. Volta, Globe & Rutgers.  
12:15 p.m. Luncheon.  
2 p.m. "Accountants Responsibility under the Law"—G. J. Gross, Powers, Kaplan & Gross.  
2:45 p.m. "Property and Casualty Underwriting"—F. H. Chegwidgen, Camden Fire.  
3:15 p.m. Recess.  
3:30 p.m. Automobile Classification—W. D. Hall, actuary, National Automobile Underwriters Association.  
4:00 p.m. Open forum on Cost Analysis; Handling of Small Losses; Controls, etc.  
There will be a dinner the evening of Oct. 18.

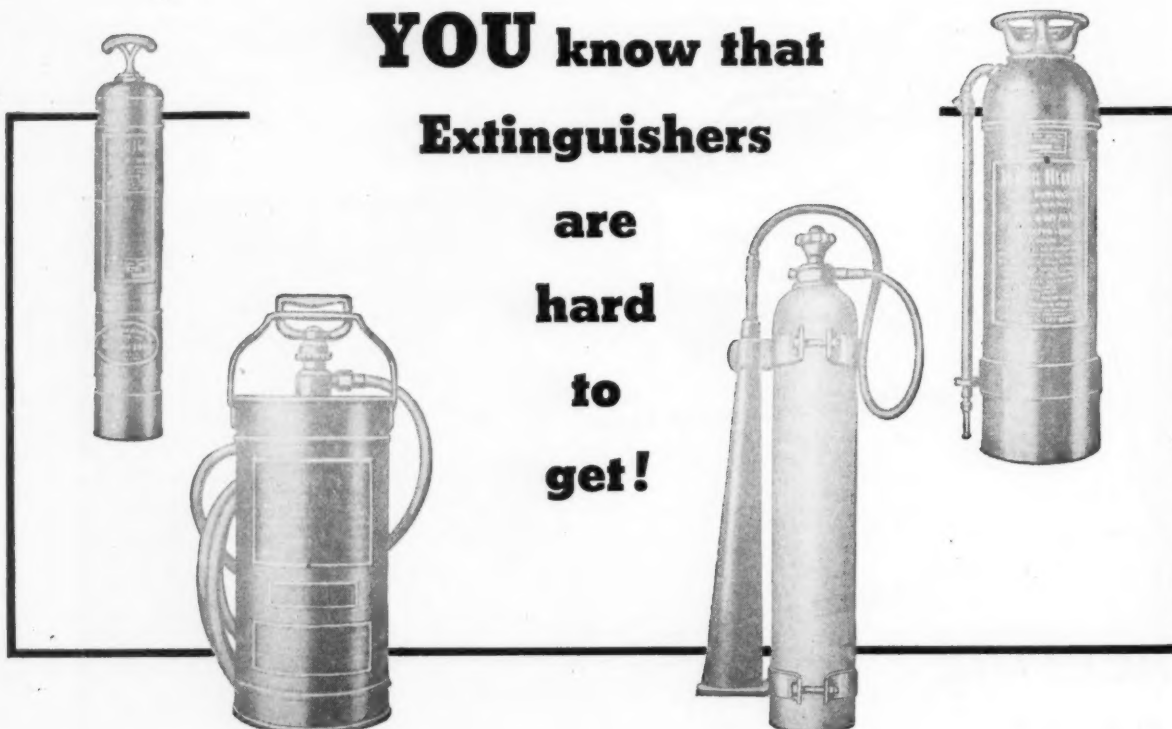
## Companies in Ohio Cited for Failure to Pay Tax

COLUMBUS, O.—The Ohio insurance division has notified 10 insurance companies to attend a hearing in its offices Sept. 26 on the question whether their licenses should be revoked for failure to pay premium taxes to the state on 1944 business. Companies and amounts of tax alleged to be due are: Aetna Fire \$30,226; Manhattan Fire & Marine \$686; Piedmont Fire \$339; Standard of New York \$2,844; World Fire & Marine \$4,931; London Assurance \$898; Century Indemnity \$757; Standard Surety & Casualty \$575; Business Men's Assurance \$4,167; Woodmen Central Life \$301.

The department says it has not been advised as to the reason the taxes have not been paid. It has been suggested probably the companies feel the Ohio insurance premium tax law is unconstitutional in view of the decision of the United States Supreme Court in the S.E.U.A. case. More than a dozen suits are pending in courts in Columbus attacking constitutionality of the tax.

### Insurance Institute Syllabus

NEW YORK—The Insurance Institute of America, 80 John street, New York 7, N. Y., has issued a 48-page syllabus of its courses in insurance for 1945-46.



**YOU** know that owners ought to take better care of their fire extinguishers than ever—probably they can't be replaced.

**YOU** know that most extinguishers need recharging at frequent intervals . . . inspection at least once a year.

*But, many owners don't know it.*

Education on this subject is vitally important! An extinguisher that won't work is no better than none.

All sorts of buildings have these fire-fighting appliances that people depend on in case of fire. Yet, all too often the buyer simply hangs the "tool" on the wall and forgets it.

Is there a regular public inspection of fire extinguishers in your town? If not, you can

perform a fine service by organizing one . . . and the sooner the better!

Through advertising and talks at clubs and civic gatherings, you can sell—continuously—the idea of fire prevention. One good plan is demonstrations by the Fire Department on how to use extinguishers of different types. They can be given just before the date for recharging the extinguishers. Such exhibits assure fresh charges. They teach people how to use the equipment . . . make sure that it is in good working order (*doubly important these days*).

★ ★ ★

Start the ball rolling on this plan, and know that you are really helping in the fight against waste.

**Agricultural**  
Insurance Company  
of Watertown, N.Y.



**Empire State**  
Insurance Company  
of Watertown, N.Y.

Every Type of Property Insurance for Industry and the Home.

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## CHICAGO

### ENTERTAIN LONDON OFFICER

Several members of the firms of Conkling-Price & Webb and Critchell, Miller general agencies of Chicago entertained Lt. Col. Arthur W. Horner of the British joint staff mission at lunch at the Union League Club. Lt. Col. Horner is stationed at Washington and prior to joining the British army was connected with the marine department of the London-Phoenix group home office at London, England. Conkling-Price & Webb and Critchell, Miller have each represented companies in this group for more than 50 years.

### LIFE MEMBERS MEETING

The officers and directors of the Life Members' Society of the Northwest Association met in Chicago Monday to decide on the date of the annual meeting. There were no members present residing outside of Chicago. The tentative date of Oct. 16 was set for the meeting at the Hotel LaSalle, Chicago.

A. H. Green, Cook county special agent of Atlas, who was chairman of the entertainment committee, is not sure whether he could get the entertainers with whom he has been negotiating for that night. It may be necessary to put the date Oct. 23. It was decided to publish a list of members and their present addresses.

Also the work of W. J. Sonnen of Evanston, Ill., secretary, has become very arduous and it was decided to give him an assistant, Royal M. Buckman, who recently retired from the service of Royal. Undoubtedly Mr. Buckman's connection as assistant secretary will be confirmed at the annual meeting.

E. L. Rickards, manager National Automobile Underwriters Association, presided at the luncheon.

### PREPARE FOR WAR FUND

The insurance division of the Community & War Fund of Chicago has now been organized

with Emil Lederer of the Stewart, Keator, Kessberger & Lederer agency as chairman. The quota assigned to the insurance division is \$165,000. Last year the quota was \$150,000 and the amount raised was \$160,000. Some 200 workers have been assigned to the canvass. In addition to all the insurance offices in the city, the division is responsible for the non-insurance offices in the Insurance Exchange building.

Vice-chairmen in charge of the fire insurance division are Louis J. Fischer, general manager of Home, and William Krogm, assistant manager Chicago



E. L. Lederer

## CASUALTY SPECIAL AGENT

This man has had 8 years home office and sales experience in the casualty lines; a good producer with a good personality.

### FERGASON PERSONNEL

Insurance Personnel Exclusively

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Board; agencies and brokers, L. W. Zonsius, Conkling, Price & Webb; casualty, Don Weiser, assistant manager Aetna Casualty; life, Harold P. McLaughlin, Massachusetts Mutual Life; mutual, E. M. Lashmet, Liberty Mutual, and fraternal, Thomas Heaney, Catholic Order of Foresters.

### CHICAGO COURSES ANNOUNCED

The Insurance Education Committee of Chicago which annually sponsors the Insurance Institute courses has announced that the next series will be started Oct. 9 with classes in the Chicago Board auditorium. During the

war years it has been difficult to attract the best lecture talent because of the loss of many able underwriters to military service and war plants and the fact that those who remained carried a double burden. However there will be a special effort this year to secure outstanding lecturers and authorities on their subjects.

The school year will end in May. Students must enroll for the whole course and then may take units as they desire at a fee of \$15 per unit. General principles of insurance is a mandatory subject for both fire and casualty diplomas and inland marine is mandatory for a diploma in fire insurance.

The first class will be held starting at 5 p.m. Tuesdays, Wednesdays, Thursdays and Fridays for an hour followed by another class of an hour starting at 6 p.m. Books covering the courses and a bibliography are available in the Insurance Library of Chicago.

The committee includes Benjamin Richards, manager Underwriters Service; D. P. Skaer, assistant manager Cook County Inspection Bureau; A. T. Graham, broker, who is committee chairman; R. E. Baker, Hartford Accident; W. F. Kuffel, executive vice-president Dubuque F. & M., and George Groth, Chicago Board. E. E. Dantonet of the John Naghten & Co. agency was



## NATIONWIDE Binding Facilities

With teletype service connecting our major offices throughout the nation, the multiple-line underwriting facilities of the Fireman's Fund Companies are instantly at your command. A broker in New York asked us to insure, as quickly as possible, merchandise stored on the Pacific Coast at Portland. The line was fully covered in five minutes. An agent in Oakland, California, needed coverage on a Business Interruption risk in Chicago. This line was insured in three minutes. The close-knit multiple-line underwriting facilities of Fireman's Fund are available to agents and brokers wherever located.

Fire • Automobile • Marine



Casualty • Fidelity • Surety

## FIREMAN'S FUND GROUP

Fireman's Fund Insurance Company  
Fireman's Fund Indemnity Company  
Home Fire & Marine Insurance Company  
Western National Insurance Company  
Western National Indemnity Company

SAN FRANCISCO NEW YORK CHICAGO BOSTON ATLANTA

named chairman of a sub-committee to secure students for the surety class; Messrs. Richards and Skaer will prepare a folder on the fire insurance course and Mr. Baker one on the casualty course.

#### MORE DEPARTMENT EXAMINATIONS

Insurance examinations will be held in Chicago Oct. 2 at 9:30 a.m. in Room 338, 141 West Jackson boulevard, by the license division of the insurance department. Another series of examinations is to be held there Sept. 18.

#### D. R. McLennan Jr. Returns

D. R. McLennan, Jr., son of the late chairman of Marsh & McLennan who has been in the navy service has been discharged and will return to Marsh & McLennan organization in Chicago Nov. 1. He has been in the South Pacific but more recently in San Francisco. He has purchased a house at Lake Forest, Ill., where his mother resides. He served Marsh & McLennan for 10 years before entering the service being especially interested in production work. He is regarded as a very promising young man.

A. F. Shaw, Jr., son of the late A. F. Shaw, vice-president of A. F. Shaw & Co., Chicago, has decided to enter the agency and not continue his education. He graduated from high school and is now located in the office learning the business from the ground floor. He is regarded as a very promising young man.

Mr. and Mrs. Denman Kountze are on a trip east to New York, where Mr. Kountze will call on the companies represented by his general agency, Mid-state Underwriters, Omaha, and from there they will go to Jacksonville, Fla., to visit their son, Mallory, now stationed at the naval air station there but until recently in the South Pacific.

## NEWS OF FIELD MEN

### J. P. O'Brien Retires; Wood in Home Post

J. P. O'Brien of Grand Rapids, state agent for Home in Michigan for more than 25 years, has retired and Robert H. Wood, who has been associated with Mr. O'Brien in Michigan for many years, has been appointed to succeed him as state agent for western Michigan.

Richard E. Farrer will continue as special agent.

Mr. O'Brien has completed 27 years with Home. Prior to that he had been working for some 10 years as rater and manager for various rating bureaus. He started in 1910 with Michigan Inspection Bureau, going from there to Western Actuarial Bureau, then with Marsh & McLennan and just prior to going to Michigan with Home, he spent four years in charge of the rating bureau at Milwaukee. The O'Briens have had their hand in the affairs of Home in Michigan for some 45 years.

### Iowa Blue Goose Gathers at Des Moines

DES MOINES—A report on the grand nest meeting of Blue Goose was given at the opening Monday luncheon of Iowa pond by N. W. McBeath, most loyal gander. The Iowa pond had a candidate, James Bunten, for the grand nest office.

The Eastern Iowa Puddle announced it will hold its next meeting Sept. 17 at Cedar Rapids and the annual duck dinner is scheduled for Nov. 13 at Waterloo.

The Iowa State Fire Prevention association will hold its first inspection

of the fall at Shenandoah, Ia., on Sept. 26.

### Ken Bruce Leaves Navy for Wis. Insurance Post

Lt. P. Ken Bruce of Madison, Wis., has been released from active duty by the navy and has joined the George J. Leonhard, Jr., general agency of Madison as a special agent.

Mr. Bruce, a veteran of two wars, served as an assault beachmaster and after the last amphibious operation at Okinawa was returned to inactive duty at his own request. He gained his early experience in the insurance business with Travelers, later joining the Employers group as special agent in Wisconsin.

Mr. Leonhard is general agent in Wisconsin for County Fire, City of New York, Paul Revere and Lumbermen's, as well as for Central Surety.

### Schoeppe Returns to Kan. Field

Lt. H. J. Schoeppe has received his honorable discharge from the army in which he served for over three years, and has resumed his duties as special agent of the Commercial Union group in southern Kansas, with headquarters, as heretofore, at 413 Wheeler-Kelly & Hagney building, Wichita.

### McLeod to Phoenix-Conn.

SAN FRANCISCO—William G. McLeod has been appointed engineer in the Pacific department of Phoenix-Connecticut group in San Francisco. For the time being, however, he will take over the field formerly covered by Eaton W. Anderson in northern California. Mr. Anderson recently resigned to

enter the local agency business in Berkeley, Cal. Mr. McLeod has done engineering and field work in northern California for Swett & Crawford.

### McKnight to Reno Post

SAN FRANCISCO—Arthur W. McKnight has been appointed to succeed Robert A. Griffen as special agent for Royal-Liverpool Groups with headquarters at Reno. Mr. Griffen resigned to go into the ranching business.

### Iler to Spokane

Douglas V. Iler has been appointed special agent for Phoenix-Connecticut Group with headquarters at Spokane, Wash. He will cover eastern Washington, the panhandle of Idaho and Montana.

For four years Mr. Iler has been special agent at Salt Lake City. He was previously in the Pacific coast headquarters in San Francisco.

### Mrs. S. C. Neff Retires

After nearly 40 years service with the Fire Prevention Association of Ohio, Ohio Fire Underwriters Association and Ohio Blue Goose at Columbus, Mrs. S. C. Neff has retired and has been succeeded by Miss Helen Earle. Mrs. Neff was known to hundreds of fire insurance men.

### Simpson Back in Seattle

Ellsworth Simpson, who has been serving in the coast guard, is returning to his former post as special agent at Seattle for Northwestern National.

### Walter P. Scobie Retires

Walter P. Scobie, adjuster for the farm department of Hartford Fire in Wisconsin, with headquarters at Madison, has retired from service.

Mr. Scobie has been with Hartford Fire a number of years, and before that was special agent in several states

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for Fidelity-Phenix. He is well known throughout the farm insurance fraternity and expects to reside permanently somewhere in the western part of the country. Temporarily his home will be in California.

#### Fete Baruth at 25-year Mark

Raymond W. Baruth, Michigan state agent, is to be guest of honor at the Union League Club in Chicago, Friday evening, given by the western department of Sun on the occasion of his 25th anniversary with that organization. C. W. Ohlsen, western manager, will officiate. The men in the western department office will attend. Mr. Baruth started with Sun as an office boy, progressed to an examiner's desk in 1934, was sent into the field as special agent for Kentucky and Tennessee and since 1941 has been in Michigan.

R. W. Crow, state agent Glen Falls, was presented with the past most loyal gander designation and certificate at a meeting of the **Oklahoma Blue Goose**. J. K. McIntyre, independent adjuster, most loyal gander, reported on the grand nest meeting.

## NEW YORK

#### TAEFFNER BACK IN BROOKLYN

W. E. Taeffner, Brooklyn manager of North America and Indemnity of North America, has returned to that position after serving on active duty with the navy. He was a lieutenant.

#### BROOKLYN SEASON STARTS

The Brooklyn Insurance Brokers Association held its first meeting last week. A. I. Jaffe, 3rd vice-president, presided in the absence of President T. J. Clark, who was ill. There were no speakers and the session was devoted to business matters, committee reports and the future educational program. The next

meeting will be held some time next month.

#### N. Y. U. INSURANCE COURSES

New York University, school of commerce, accounts and finance will offer the evening courses at the Washington Square Branch, during the fall term. Principles of insurance will be given Thursdays from 8-10; life insurance, Tuesday 6-8; fire and inland marine, Thursday 6-8; casualty, Tuesday 8-10.

These courses will help students prepare for the various state examinations as well as the C.L.U. and C.P.C.U. Classes will commence Sept. 25.

## IN U. S. WAR SERVICE

Lt. Cmdr. Neil C. Russell, formerly manager Interinsurance Exchange of the Chicago Motor Club, expects to be discharged from the navy soon. Cmdr. Russell, who entered the navy about three years ago as a lieutenant, is currently stationed in Detroit.

James V. Donoghue, formerly special agent of Lumbermens' Mutual Casualty in Chicago, is now back in the United States after a long campaign in the South Pacific. He enlisted in the marines as a private before Pearl Harbor. He was commissioned and fought through the entire Guadalcanal campaign, in charge of a machine gun platoon. He was with the first marine division at Tenaru where he was wounded and then made captain. He returned to duty to participate in the attacks at New Britain and Palau Island. He holds the purple heart, S. W. Pacific ribbon (five stars) and Presidential unit citation (one star). He is mentioned several times in the book "Guadalcanal Diary." He is a nephew of J. M. Donoghue, Detroit manager of American Indemnity.

Leaders in the field use the **Polley Analysis Service**. Write the Accident & Health Bulletins, 420 E. 4th St., Cincinnati 2, O.

## THOMAS MCGEE & SONS



ARTHUR WATERMAN

#### present:

ARTHUR WATERMAN, for the past twenty years associated with the Missouri Inspection Bureau in Kansas City, joins our staff as Manager of our Service Department. His long experience with Fire Insurance particularly qualifies him as a Specialist in this field.



NED B. SHAPKER

NED B. SHAPKER, before opening his own agency in Kansas City, was in the United States Maritime Service and prior to that was in the Home Office of the Continental Casualty Company of Chicago as Supervisor of the Disability Division. He will head our new department, which is to be a "department store" of Accident and Health Insurance promoting America's No. 1 plan of hospitalization and income security.

With the addition of these two experienced men to our staff, we begin the active operation of our post-war expansion plan for increased service . . . to those needing insurance and to returning servicemen.

Whatever your insurance needs, we have a Specialist available who can help you. Call on us for prompt, understanding, personalized service.

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## N. A. I. A. Issues Educational Question, Answer Material

The National Association of Insurance Agents with the start of the 1945-1946 educational program term is preparing for insurance publications a set of questions and answers on seven of its 10 study courses. The first release deals with automobile material damage and liability insurance. There will be additional releases each month until April, which corresponds with the end of the study period. The questions and answers used in the releases are based on the written examination for the various subjects treated.

The cumulative enrollment of students since the study courses was inaugurated in April, 1942, has passed the 15,000 mark.

## J. M. Stevenson Returns to F.I.A.

Capt. J. M. Stevenson, who prior to the war was an engineer for Factory Insurance Association located at Peoria, Ill., will soon resume his connection with F.I.A. He is now in the midst of a 3½-month leave which he accumulated by reason of his long service. He was a reserve officer and enlisted prior to the Japanese attack. He was stationed at Hickam Field at Honolulu when the

Pearl Harbor attack came. He finished the war in Germany, being attached to the 277th ordnance. He had a total of 138 discharge points.

## A. D. Lange in New Venture

INDIANAPOLIS—A. D. Lange, who for 19 years has been vice-president and manager of the pictorial division of Rough Notes Co., has resigned to head a new insurance and financial publishing firm, Pictorial Publishers, Inc., with offices in the K of P building.

Associated with him will be two other Rough Notes men. R. L. White, mid-west representative for five years, will become vice-president and secretary, and R. Blayne McCurry, for 14 years editor of the pictorial division, will be vice-president and treasurer.

Mr. Lange was advertising manager of Fireman's Fund and went with Rough Notes in 1926.

Mr. McCurry is now a navy lieutenant at Great Lakes.

Mr. White joined Rough Notes after 14 years with National Life & Accident.

The Sullivan, Cash & Cross Agency has been organized at Phoenix, Ariz., with offices at 33 West Jefferson. Charles Sullivan and Ralph Cash until recently were with the Guardian Agency and Lawrence Cross has been with the Standard Agency.

## McAuliffe Tells of German Trip

Chief Frank C. McAuliffe of the Chicago Fire Insurance Patrols enthralled a group of about 90 at a luncheon at the Union League Club, Chicago, with an account of his travels through Germany as a member of the U. S. strategic bombing survey. He is under obligation not to disclose technical matters related to the report of the survey, which has not yet been released, but he offered many arresting observations on current conditions in Germany.

The luncheon was sponsored by the insurance group of the Union League Club and C. M. Cartwright of THE NATIONAL UNDERWRITER presided. Anthony J. Mullaney, Chicago fire marshal, who was also a member of the survey group, was guest of honor and he spoke briefly.

McAuliffe and Mullaney constituted part of the civil defense section of the survey and they were charged especially with reporting on fire department operations during air raids, water supply and fire alarm systems and their equipment.

## Made Trip by Plane

McAuliffe flew to London via Newfoundland, the Azores and Paris. He was in London on V-E Day but Mullaney, who had preceded him, was in Cologne. McAuliffe flew from London to Essen and landed on a field that had been taken by our forces only the week previous. He was particularly impressed there with the efficiency of the evacuation hospital. The plane on which he had traveled to Essen immediately returned to London with wounded soldiers.

Chief McAuliffe met Chief Mullaney at Cologne. During the survey, Chief McAuliffe said he traveled from 5,000 to 7,000 miles in a jeep over roads with bomb pockets, broken bridges and he remarked that he is not in the market for a jeep.

Members of the survey, totaling about 20, assembled at Cologne. They included eight army officers, seven enlisted men, a number of whom were interpreters and six civilians. He said that Cologne was the most devastated city that they visited. Chief McAuliffe made a sightseeing trip to Bonn and Remagen and the official visits of the survey convoy were at Hanover, Hamburg, Frankfurt, Karlsruhe, Augsburg, Munich, Regensburg.

Particularly conspicuous is the fact that all communications are destroyed. There is no mail service, telegraph or telephone except certain military lines. He saw only one bridge, that at Hamburg over the Elbe, that had not been damaged. Even most of the culverts had been put out of commission either by bombs or by action of the Germans in retreating.

The American engineers and signal corps are busy as beavers. Hundreds of miles of new poles and copper wire is going up. Until the bridges and communications are restored, the engineer corps will be in great demand, he declared. Every railroad station was smashed.

Chief McAuliffe said he visited the home office of a fire insurance company at Hamburg that had the most remarkable fire prevention museum that he had ever seen, despite the fact that some of it had been damaged.

The ordinary fire losses in Germany are low and many in this country have the impression that this is so because there is a German law under which everyone suffering a fire loss is held by the police until he can prove that he was not responsible for it. As a matter of fact, Chief McAuliffe said there is no such law. He attributes the low fire loss to the sturdy building construction. He said that he saw no lathe or plaster partitions. Everything is brick. There were no frame garages or porches. Then, too, the system of fire breaks confines fires that do occur to small areas. Then again there is no rubbish. The Germans make use of every scrap

## Ohio Blue Goose Honors Tidrick

CINCINNATI—Over 30 years of faithful service to the Ohio pond of the Blue Goose was recognized when the pond awarded a life membership certificate to R. S. Tidrick, Columbus, state agent of Springfield F. & M. at a business meeting here Tuesday evening. R. W. Hukill, past most loyal gander, made the presentation speech.

Since he was initiated in March, 1914, the whole period has passed quickly for him, Mr. Tidrick commented.

His outstanding work in recent years has been in connection with the good-fellowship fund. Under his guidance the fund has been collected and quietly distributed to accomplish much good.

A class of five goslings was admitted including J. J. Kloth, Glendale, and H. B. Riley, Cincinnati, assistant state fire marshals; W. C. Finney, Newark, O., special agent and H. A. Kern, agency secretary of Central Manufacturers, Van Wert, and Verne Hart, special agent of Sun, Columbus.

J. R. Hull, Indianapolis, vice-president of American States Fire, grand keeper, gave the charge. Plans for aiding returning service men who are members of the pond to enable them to reestablish themselves in the insurance business or elsewhere were discussed. This work will be coordinated with the war veterans' committee of the grand nest. The war activities committee of the Ohio pond established at the outbreak of the war is now merged with the goodfellowship committee and suggestions for properly honoring the 62 members who have served or are serving in the armed forces were offered from the floor. The pond now has a membership of 487.

Lifting of war restrictions for travel was evidenced in the best attendance here for a long time. Visiting ganders were on hand from Kentucky, Tennessee and Indiana.

## Fire Underwriters Meeting

W. H. Witherspoon, Aetna Fire, president, appointed the following standing committee chairmen at the meeting of the Ohio Fire Underwriters Association: G. M. Giles, Springfield F. & M., rules; R. E. Slupe, Aetna Fire, entertainment; R. S. Tidrick, Springfield F. & M., legislative; J. A. Neilan, Norwich Union, public relations and education; R. G. Baldwin, Home, forms and rules; P. L. Johnson, American, N. J., contact committee with fire prevention association; D. C. Morgan, State of Pa., Columbus, B. O. Evans, Glens Falls, Cleveland, and G. J. Burrer, Travelers Fire, Cincinnati, conference.

H. I. Smith, Springfield F. & M., was appointed to the executive committee succeeding C. N. French, Fire Association, who has been unable to serve. H. R. Underwood, Providence Washington, secretary, gave the report of the executive committee.

The February meeting will be held in Cleveland. The October meeting at Columbus has been advanced to Oct. 16. A meeting has been tentatively scheduled for November and no meeting will be held in January.

New members are E. O. Johnson, National Fire, Columbus, and R. W. Peterson, Atlas, Cleveland.

Following the meeting, there was adjournment for the annual fall outing and golf tournament for the coveted Cincinnati Fire Underwriters Association golf trophy.

of paper and piece of string. There are no cigarette butts. These are grabbed greedily by smoke hungry Germans and many children are scouring the streets for butts to give to their parents or to sell.

Frank C. Colridge, the new secretary of the National Association of Insurance Agents, stopped off at Phoenix, Ariz., for several days to visit relatives. While there he conferred with officers of the Arizona Association of Insurance Agents.

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We therefore take great pride in the long periods of association we have enjoyed and continue to enjoy with many of our agents. We believe these signify confidence based on mutual understanding and satisfaction—the results of careful screening.

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## Commissioners Fifth Zone to Meet in Dallas

The eight states comprising the fifth zone of the National Association of Insurance Commissioners will hold a meeting at Dallas, Oct. 12-13, Jess G. Read, Oklahoma commissioner, the secretary, announced. Commissioner Butler, chairman of the Texas board, and chairman of Zone 5, has extended an invitation to all eight states to attend and all have accepted.

A banquet will be given by insurance interests of Dallas the first night, and arrangements have been made for tickets for the Texas-Oklahoma football game the following day. The states involved include Texas, New Mexico, Wyoming, Colorado, Kansas, Nebraska, Arkansas and Oklahoma.

## Gordon Takes Old Post

Russell Gordon, in the automobile department in the western office of Fireman's Fund, who has been in the army 4½ years, has now been discharged and has resumed his old position. Recently he was in the camp at Spartanburg.

## A. H. Witthohn Dies Two Months After Retiring

Just two months after his retirement as vice-president of Federal and Vigilant and head of the fire insurance department of Chubb & Son, A. H. Witthohn died at Mercy Hospital, Watertown, N. Y. He was taken to the hospital from his summer place at Henderson Harbor, N. Y.

Mr. Witthohn started with Globe & Rutgers in 1900 as an office boy. He subsequently became known as one of the most astute underwriters in New York and he was an authority on general



A. H. WITTHOHN

cover and floater business. In 1917 he was elected assistant secretary of Globe & Rutgers and five years later was advanced to secretary in charge of all underwriting. He was elected vice-president in 1932 and the following year went with Chubb & Son.

Mr. Witthohn was extremely active in organization work and during 1929 he served on 22 committees. He was a member of the original committee that wrote the forms and regulations of the Interstate Underwriters Board and was also on the advisory committee of the I.U.B. when it was formed and later became a member of its governing committee. From 1931 to 1935 he was chairman of the multiple location risk committee of the New York Fire Insurance Exchange. He was a member of the committee which reorganized the four rating bureaus in Pennsylvania into the Middle Department Rating Association. He was a member of the executive committee of the New York Fire Insurance Exchange and was on the first executive committee of the Inland Marine Underwriters Association.

Mr. Witthohn at Globe & Rutgers served as righthand man to E. C. Jameson, who died just two days before Mr. Witthohn passed on.

## Lumbermen's Mutual Marks Golden Anniversary

The semi-annual meeting of Lumbermen's Mutual at Mansfield, O., Wednesday was expanded into a 50th anniversary affair. Lumbermen's Mutual received its charter Sept. 18 50 years ago and the first policy was issued Sept. 19, which was the day of the celebration.

About 120 attended a luncheon at which the principal speaker was James S. Kemper, president of Lumbermen's Mutual Casualty of Chicago. Among the insurance guests were L. G. Purmort, president of Central Manufacturers Mutual, and I. G. Saltmarsh, president of Indiana Lumbermen's Mutual. C. H. Keating, president of Lumbermen's Mutual, presided. One of the honored guests was E. S. Nail, who is now 86 years of age and is chairman of the board. He was the founder of the company and until a few years ago served as president and general manager.

## R. B. Jones & Sons to Honor Clem Wheeler

The R. B. Jones & Sons agency of Kansas City will honor Clem E. Wheeler, retiring associate western manager of Hartford Fire at a party there Sept. 24. The invitations, which have been issued as "subpoenas" to Mr. Wheeler's "trial," are to several of Mr. Wheeler's close friends from the Hartford fire head office, western department at Chicago, the Kansas City office of the company, and firm members and officers

of Kansas City Fire & Marine and R. B. Jones & Sons.

Moulton Green, partner in the agency, composed the poetry in which the invitation is phrased. Morton T. Jones, president of Kansas City F. & M. and Virgil Dow of the agency did the art work.

## Ens Acting Chief Examiner

K. Neville Ens of St. Louis has been appointed acting chief examiner of the Missouri department. Besides having been an examiner for a number of years he is also a lawyer and has had other insurance experience.



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## Urges Bankers to Form Dealer Link

Henry Scarborough & Co. of Chicago, which specializes in writing bankers blanket bonds through London Lloyds and Peerless Casualty and has an extensive bank clientele, has prepared a series of bulletins on installment sales financing for banks. The doctrine Scarborough & Co. preaches conflicts with the bank and agent plan that is being so earnestly advocated by the individual insurance agents and by a large number of co-operating banks.

In a bulletin to bankers throughout the country, Scarborough & Co. states that this series of bulletins is available and will be sent to any bank that is interested. This is a good will undertaking and Scarborough & Co. is making no charge for the bulletins but it is soliciting certain insurance arrangements.

Mr. Scarborough states that he is convinced that if the banks desire to develop a real volume of automobile finance business they must compete with finance companies on the latter's terms. In other words, they must "lie in bed" with the dealer. He expresses the belief that for the next two years at least in the automobile field it will be a dealers' market and the bank in order

to cut any kind of a figure, must cater to the dealer, giving him his reserve or "kick back" as the finance company does rather than waiting for the insurance agents to bring into the bank the individual car financing deals.

Mr. Scarborough acknowledges that there are hazards in connection with dealer financing but he voices the opinion that with the volume that can be derived in this way, the losses will take care of themselves.

Mr. Scarborough, in his bulletin, states that in 1941 the finance companies handled \$1½ billion of automobile paper. The banks that were financing automobiles through dealers handled \$395 million of paper and this was confined to a comparatively few banks. The larger number of banks that were engaged in direct financing did but \$300 million, he states.

### Non-Resident Control

Mr. Scarborough stated that many banks know that installment sales financing is desirable and profitable business and feel it should be on their books instead of on those of the finance company, whose principals are probably not even residents of the community and take little or no interest in its development.

To get and hold dealer business, he said, banks will have to be prepared to

## Glens Falls and Ohio National in Tangled Bond Suit

Glens Falls Indemnity and Ohio National Life are in a series of tangled law suits over the fidelity bond of Glens Falls Indemnity covering Miss Helen A. Kreidler, former Chicago general agent of Ohio National, and M. C. Jones, her office manager. The matter is currently awaiting a ruling from Federal Judge Shaw in Chicago on the attempt of Ohio National to remove one of the suits from the Cook county circuit court to the federal court. Meanwhile, each insurance company has been enjoined by a different state court from suing in another state and a complaint has been made to the Ohio department.

Miss Kreidler had an exclusive general agency arrangement with Ohio National in Chicago for mortgage redemption insurance under the "home security plan."

### Started in 1940

Before Ohio National reinsured Home Security Life of Rockford in 1940, Miss Kreidler handled similar mortgage redemption business for the latter company. She made the same arrangement with Ohio National, operating first with a corporation, which was changed in 1942 to a personal agency contract. She made contracts with agents out of her office and also did considerable business through building and loan associations, under arrangements where the life

insurance premiums were collected with monthly mortgage payments.

Ohio National canceled the general agency agreement in July, 1944, and notified Glens Falls Indemnity of a claim under its bond, charging that Miss Kreidler and Mr. Jones had defaulted in premium remittances, with a shortage of over \$25,000. After various maneuvers, Glens Falls Indemnity, having been notified that Ohio National was going to sue in the Ohio courts, started a declaratory judgment action in the Cook county circuit court early in July of this year, joining Ohio National and the two principals under the bond, asking for a determination of the issues and the liability, if any, of the bonding company. Circuit Judge Fisher, after a hearing, granted a temporary injunction restraining Ohio National from prosecuting any other suit against Glens Falls Indemnity under the bond. Miss Kreidler and Mr. Jones filed a counterclaim in Judge Fisher's court, charging that Ohio National owed them commissions and asking for an injunction restraining Ohio National from selling mortgage redemption insurance under the same plan and for damages of \$100,000.

### Suit in Ohio

On the same day, July 17, Ohio National sued Glens Falls Indemnity (but not the two principals) in the common pleas court in Cincinnati and obtained a temporary injunction, without a hearing, restraining Glens Falls Indemnity from prosecuting its suit in Illinois. It also brought a complaint against Glens Falls Indemnity before the Ohio insurance department at Columbus, charging that Glens Falls Indemnity had violated the Ohio insurance code by starting the Illinois suit, since it had filed a consent to be sued in Ohio on bonds written in that state, as a prerequisite to doing business in Ohio. Ohio National had raised the same point in the court actions in Chicago and in Cincinnati.

Ohio National then appealed Judge Fisher's injunction to the appellate court of Illinois and also filed a removal action with the federal district court in Chicago. As matters now stand, Judge Shaw's ruling on the removal action will probably determine the future of the Illinois action. The case has yet to be tried on its merits and presents many complicated problems of procedure and jurisdiction.

### Miss Kreidler's Position

The position of Miss Kreidler and Mr. Jones is that Ohio National had tried to take away their mortgage redemption business, in violation of the exclusive agency contract, and had offered a policy called the "home protection plan" through the Henry Royer general agency in Chicago. This plan, Miss Kreidler claims, is a copy of her "home security plan," and was used to bring her former agents and building and loan connections to the Royer office.

The financial arrangements between Ohio National and Miss Kreidler were extremely complicated, involving advances to the old corporation, various promotion allowances and differing statements as to how premiums were to be collected and accounted. Miss Kreidler claims that, after the personal agency replaced the corporation, she was told that Ohio National could not make any more advances for promotion which would be approved, but that she should use collected premiums for this purpose. In support of this contention, she claims that Ohio National did not lapse any policies on which it claims premiums were overdue.

George E. Bunge of Vogel & Bunge represents Glens Falls Indemnity. Ohio National is represented in Chicago by Seyfarth & Atwood and Miss Kreidler and Mr. Jones by Arrington, Fiedler & Healy.

### Coghlan Heads Ohio Plan

Charles H. Coghlan, who has been assistant director of Michigan Medical Service, has been named director of Ohio Medical Indemnity in Columbus.

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give the dealers the same kind of service he gets from finance companies. For example, the dealer will expect loans on a wholesale "floor plan" scale. This means that the bank must pay a draft for cars shipped by the manufacturers and accept a trust receipt for chattel mortgage as security. This is a form of accommodation loan. For this the dealer will sell the bank all of his retail paper. He will expect a quick decision on the credit of the retail car buyer and also demand a dealer reserve which will be some proportion of the discount rate on installment sales contracts. It will be necessary for the bank to set up a system of collection, card checking and close supervision of the dealer.

The banker will want to be protected against the risks of fraudulent dealer paper, duplicate financing, theft and conversion. Scarborough & Co. states that it has originated and is offering a policy which specifically meets this need. In addition, Scarborough & Co. states it is working on a program of fire, theft and collision insurance with the purpose of enabling banks to share legally from this source of income.

### Sends Questionnaire

Mr. Scarborough sends to the banks a questionnaire asking whether they propose to finance automobile and other dealers on the floor plan; whether they would make an agreement with the dealer to purchase most of his installment sales notes; whether a bank is prepared to nominate some individual in the bank now to study and handle this type of business; whether the bank would be interested in receiving Scarborough & Co. bulletins; whether the bank would be interested in a policy to protect it against loss due to fraudulent, invalid, fictitious or double financed dealer paper as well as theft or conversion of funds by the dealer; whether the bank would be interested in a program of fire, theft and collision insurance whereby underwriting profits when earned can be declared legally to the bank. The questionnaire asks whether the bank is going to finance cars direct with the public if it is not going to enter into floor plan financing. If so, Mr. Scarborough asks whether the bank would be interested in fire, theft and collision cover that would cost the customer 25% less than the usual rate.

## Fire Insurers Pay

### \$56,000 Circus Fire Loss

HARTFORD — Hartford Attorney Edward S. Rogin, receiver of Ringling Brothers & Barnum & Bailey combined Shows, Inc., has received \$56,607 from five fire insurance companies representing the loss on circus equipment in the fire here in July, 1944. This brings to nearly \$1,300,000 the crash and potential assets available to the receiver for the benefit of the estates of those who died or were injured in the fire.

Mr. Rogin now has more than \$480,000 in cash. Besides the payments on the fire insurance, the circus turned over to him \$280,000 shortly after the disaster and last May paid him \$50,000 from its current earnings. Besides this cash he will eventually receive \$500,000 on a public liability policy from London Lloyds and about \$300,000 in refunds on tax payments from the federal government. The companies which had the fire loss are Royal, Glens Falls, Fidelity-Phenix, Home and Fireman's Fund.

### Crueger Handles Insurance for Norfolk & Western Ry.

W. F. Crueger, formerly chief clerk in the office of the comptroller of the Norfolk & Western Railway in Roanoke, Va., has been appointed tax and insurance agent of the company there succeeding B. F. Pence, who retired after 45 years' service. Pence was named tax and insurance agent in 1920.

### Loss Group Charge Reduced

The committee on losses and adjustment of the New York Board has reduced overhead charges for committee service from 33 1/3% of the adjuster's fee to 30% for losses involving three or more companies, effective Sept. 15.

Prior to 1938 all charges for committee service were on a 50% basis but since that time seven reductions have been made. The rates now are 20% in all cases where the bills for the adjuster's service exceed \$1,000 or for losses involving a single company, 25% for losses involving two companies and 30% for three or more.

### St. Petersburg Ceremonies

Florida now leads in the number of graduates from the N.A.I.A. educational

program. Twelve St. Petersburg candidates received their diplomas Sept. 11, swelling the state's total to 34, and the national total to 152.

One of those who completed the curriculum is J. Howard Gould, president Florida Agents Association.

Presentation of certificates was made by L. P. McCord, Jacksonville, N.A.I.A. educational chairman. The St. Petersburg Insurers' Exchange gave a dinner preceding the ceremonies. Guests included Mayor George Patterson, the dean of the junior college, the high school principal and Secretary A. C. Eifer, Tampa.

### Neill to New Accounting Post with National Fire

William Neill has been advanced to the newly created position of superintendent of accounting at the head office of the National Fire group.

Increased requirements and responsibilities in connection with the accounting activities, particularly of United National Indemnity formed last year, made it desirable to create the new position.

Mr. Neill was born in Belfast, Ireland, and served four years in the British army during the first war. He gained early training as bookkeeper in a linen firm at Belfast. His first position in this country was with the Whitney Manufacturing Co., Hartford.

He started with National Fire in 1926 and has served in various responsible positions in the bookkeeping and accounting department. He is a graduate of the La Salle Institute of Chicago having taken special training in the higher accountancy courses.

### Return Ky. State Fund "Nut"

The initial appropriation of \$100,000 for the Kentucky fire and tornado insurance fund has now been turned back to the state general fund. The state fund program was started in 1936 for insuring state-owned buildings. It provided that the state could insure property up to \$200,000 and carry excess insurance with commercial companies. Refund was made after the insurance premiums had reached nearly \$1 million which was the maximum permitted in the fund. When the \$1 million figure is reached under the law, the state must discontinue charging premiums.

Commissioner Wilson said \$32,508,021 insurance has been written this year on state property with premiums of \$164,209. In the past the amount of insurance has averaged about \$29 million. The amount was increased this year when appraisers placed a higher value on the property. Some state departments had expressed a desire to drop insurance on a few buildings but the attorney general has ruled that the program is mandatory.

### Truck Crash Burns Home

Burning gasoline from a transport truck which was ditched on the highway near Sentinel, Okla., destroyed the tractor and trailer and also a home valued at \$3,250, with total loss estimated at \$10,500. The driver lost control and the truck was ditched, igniting over 3,000 gallons of gasoline in the tanks. The truck was owned by W. E. Melton.

### Planet Adopts Emblem

The letterhead of Planet incorporates at the top an armillary sphere which has been adopted as the official emblem.

An armillary sphere is a device which was used by early astronomers in planetary observations. As used on the letterhead it is somewhat similar in shape to a globe, except that it is composed of rings or circles.

Actual underwriting operations were started by Planet Tuesday with ceremonies at the head office. Charles E. Garrett of Kalamazoo, who has the oldest agency of Standard Accident in Michigan, countersigned the first policy

to be written by Planet and presented it to D. M. Ferry, Jr., chairman of Standard. The second policy went to President Charles C. Bowen. Commissioner Forbes of Michigan attended.

At first Planet will confine its operations to Michigan and California but operations will be extended to other states soon.

### To Increase Am. States Capital

Stockholders of American States at a special meeting Sept. 20 will vote on a proposal to increase capital to \$600,000. The capital presently is \$500,000.

Under the program three shares of new preferred stock of \$10 par and \$25 redemption price with fixed cumulative dividend of \$1.20 plus one share of new \$5 par class A or B stock will be given for each three shares of class A stock or class B. At present there are 45,000 shares of \$10 par value class A stock

outstanding and 5,000 shares of \$10 par class B.

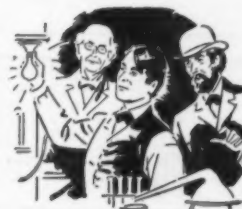
The B shares have sole voting rights and most of that stock is held by the active management. At the same time an option would be granted to Dudley R. Gallahue, president, and Edward F. Gallahue, secretary, to purchase 5,000 additional new class B shares at \$32. After the exchange of stock there would be 50,000 preferred shares of \$10 par, 15,000 shares of \$5 par and 1,666 2/3 B shares of \$5 par or a total capital of \$583,383. This would be increased to \$600,000 by the purchase of 4,333 1/3 new B shares by the Gallahue brothers under their option at \$32. This would add \$16,667 to capital and \$90,000 to surplus.

Roy F. O'Connor, assistant secretary of Excess, has been released from the army after two years' service and will be back at his desk this week.

## 80th ANNIVERSARY YEAR

### When Gaslight Bowed to Electricity

Eighty years have passed since Millers National Insurance Company was founded in 1865. Its charter was granted by special act of the Illinois legislature in the era of candles and gaslight . . . fourteen years before Thomas Edison developed the first commercially successful incandescent lamp and won a great victory in man's age-long battle with darkness.



THOMAS EDISON — 1879

In 1879, when Edison introduced his new electric light, Millers National was well started on the steady, healthy growth that continues to this day. Sound business judgment applied to the operations of this service institution put it on a solid basis from its very inception, a position from which it has never varied.

With security of the policyholder always a basic concern of its management, Millers National has kept pace with new ideas, new procedures, new developments as they arose through eight decades of advancement. As a result, Millers National today holds a position of eminence among the nation's fire insurance companies. Founded in 1876, Illinois Fire stands side by side in the same position from which to go forward with ever greater service in the years to come.

### SERVICE

Known in the insurance business as advertising headquarters for alert agents, these companies have sales tools that give effective aid in selling. Well-known is their PRACTICAL PROSPECTING PLAN, their tested advertising material, and solicitation ideas. This service is keyed directly to practical agency needs of its army of agents on the firing line.

## MILLERS NATIONAL INSURANCE CO. ILLINOIS FIRE INSURANCE CO.

HOME OFFICE: 137 W. JACKSON BLVD., CHICAGO

SERVICE HEADQUARTERS FOR ALERT AGENTS

## QUEEN CITY FIRE INSURANCE COMPANY

SIOUX FALLS

D. P. LEMEN, President

SOUTH DAKOTA

1905

Forty years of service

1945

**FACTUAL APPRAISALS**

Impartial Valuations  
of Industrial and  
Commercial Property . . .  
35 years of factual appraisal  
service to America's more  
conservative business  
institutions.

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**BUILDING COSTS**  
HAVE INCREASED APPROXIMATELY

**8% 14% 34%**  
IN 1 YEAR IN 3 YEARS IN 5 YEARS

CHECK INSURANCE AGAINST VALUES

**MARSHALL AND STEVENS**  
INSURANCE APPRAISALS

CHICAGO LOS ANGELES NEW YORK  
ST. LOUIS SAN FRANCISCO

PUBLISHERS OF

**MARSHALL STEVENS**  
VALUATION SERVICE VALUATION QUARTERLY

# WANT ADS

## INSURANCE ADMINISTRATOR SEEKS NEW OPPORTUNITY

In charge of administering insurance industrial relations and allied activities for nationally known industrial corporation. Seeking position in a company with challenging problems. A successful record of saving and improvements in insurance cost and coverage organization and management ability has been demonstrated by achievements. University graduate, married, age 38. Address C-94, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

## WANTED—SPECIAL AGENT

Mutual Fire Insurance Company wants experienced fieldmen for several states.

Large and well established mutual insurance company wants experienced fieldmen for the states of Mississippi and Alabama; Florida; Oklahoma and Kansas; Washington and Oregon. Knowledge of territory and successful past record essential. Reply, giving full details to Box D-2, National Underwriter Company, 175 West Jackson Boulevard, Chicago 4, Illinois.

### WANTED TO BUY

Old established fire and casualty agency with \$35,000 to \$50,000 steady premium volume, or half interest in a larger agency needing a 43 year old aggressive gentle partner, who has had 20 years wide experience. Location immaterial. Write in confidence. Address Box C-99, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### WANTED

Special Agent for Chicago and Cook County in old established agency. State age, experience and salary wanted. Strictly confidential. Address C-82, care The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### WANTED ASSISTANT EXAMINER

Large fire company has opening for assistant examiner. Preferably one familiar with Cook County and Illinois business. Permanent position. Replies will be held confidential and should include age, qualifications, salary. Address C-91, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### COUNTER MAN

Needed by large fire company. Give necessary information in your reply to C-92, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### WANTED

Experienced Field Man, acquainted West Texas to travel that territory. Give age, details past experience and references first letter. AMERICAN INDEMNITY COMPANY P. O. Box 1259 Galveston, Texas

### WANTED

Experienced fire insurance examiner and underwriter. Address The Mill Mutuals, 406-20 Third National Bank Building, Nashville 3, Tenn.

### WANTED

A branch manager to handle production and claims from Topeka, Kansas branch office. Experience with fire and automobile insurance necessary. Automobile furnished. Address C-99, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

## Red Tape Slashed in Manila

(CONTINUED FROM PAGE 5)

The insurance department's work was considerably hampered by the slowness of local mail service and the complete absence of telephone service for civilians. A letter might reach its destination 10 days after being mailed and in order to make appointments people used the personal columns of the 30 or so local newspapers.

When Mr. Pink wanted to get in touch with one of the insurance company offices it was necessary to send a messenger or go in person. The government supplied him with jeep transportation to and from his office but no transportation was available during the rest of the day. Consequently, when he had communications for the insurance offices he stopped by with them en route to or from his office.

In spite of being in Manila during the rainy season, Mr. Pink was not bothered by the heat except the first night after he arrived. He slept on a cot in the Hotel Manila, sharing a room with several other men.

Because of the urgent need for insurance facilities, Mr. Pink immediately began to proceed on the basis of relicensing all legitimate and solvent companies, whether domestic, United States, or alien at the earliest possible time and without delay or unnecessary formality. When he arrived, June 21, 1945, only one insurance company, newly incorporated, was functioning in the Islands.

### Uses Cables

Because of the almost total lack of air-mail facilities, and the length of time required to get letters and reports by steamer from London, Canada and the United States, he decided to accept cable reports and summaries from companies in good standing which were formerly licensed in the Philippines. This, together with the prompt relicensing of local companies which were solvent or could be made solvent provided both the United States army and all civilians with immediate opportunities for protection.

At the time of Mr. Pink's report to President Osmena, Aug. 17, nine domestic fire companies had been relicensed and it was anticipated that two others would be relicensed very shortly. The domestic companies suffered much more from the Japanese occupation than the United States and alien companies because most of them continued in business during the Japanese occupation and were compelled to accept payment for premiums and investments in Japanese military notes. In most cases a substantial part of the assets of these companies, including bank deposits made during the occupation, could not be considered as admitted assets, Mr. Pink stated in his report. The insurance department made every effort to assist those companies which were not fully solvent by consenting to reduce stock if necessary and by requiring a reasonable amount of new money immediately and further investments of new capital before the end of the year.

Twelve United States fire companies and 17 alien fire were relicensed at the time of Mr. Pink's report. He pointed out that the Philippines were fortunate in that many of the fire and marine companies doing business there, both from the United States and Great Britain, are among the strongest in the world and that it has been safe to admit most of them on cable reports with a minimum of delay.

As to claims against fire companies, most of the policies run for only a year and since many of the policies have expired, most of the local companies which continued to do business during the occupation are able to pay their claims.

In order to rehabilitate the local life companies and for the good of the in-

surance companies generally, the uncertainty affecting obligations assumed during the occupation period will have to be cleared up. He proposed a draft of a law carrying out his recommendations in this respect. In his report he stated that in his opinion a revaluation of existing obligations based on the purchasing power of the Japanese military notes is the only solution which is just to both debtor and creditor and that until Congress acts and clarifies the obligation incurred during the occupation in now worthless currency the insurance business and all other business will be retarded and it will be difficult to induce stockholders or anyone else to put substantial new money into companies which are seriously impaired.

Among other recommendations which Mr. Pink made were that a proposed bill to provide loans to banks by the government be extended to permit loans to insurance companies; passage of a rehabilitation and liquidation statute, the only present method being to liquidate an insolvent company under the general insolvency law; strengthening the financial requirements for licensing United States and alien companies and also for the organization of local companies; encouragement of the organizing of a strong mutual life insurance company in the Philippines, there having been no mutual company among the 95 companies formerly doing business there; and a separate insurance department instead of the present setup in which the insurance section is part of the bureau of the Treasury in the department of finance.

## MARINE

## National Fire Has PPF Sales Unit

The National Fire group has prepared a visual selling unit on the personal property floater. The many risks covered by the floater are presented in colorful illustrations. The pages of the large booklet are so arranged as to "reveal" a cumulative number of the risk illustrations as the pages are turned.

Included for the agents' use is a sample sales talk, the steps of which are tied in with the visual sales unit; a large folder carrying the same illustrations as the sales unit, which can be used for counter or window display; a small booklet for mailing purposes; two glossy prints for making advertising layouts, one of them using the illustrations in the visual unit and the other carrying the theme "More than 15 Good Reasons for Owning the Personal Property Floater"; and finally an attractive folded sheet entitled "Here is Your Insurance Payment." This explains on the inside that the payment results from the assured's recognition of sound capital stock insurance, the agent's skill, knowledge and experience, the company's seasoned experience in insurance matters and prompt efficient handling of the claim. It emphasizes the value of the agent's service to assured.

The unit, which is being distributed gradually to all of the company's agents, is designed to get across a brief description of a complex comprehensive cover, to arouse interest in it and lead quickly to the application and information blanks. It may often help the agent as much as the prospect by keeping the interview on the track.

### Capt. Clarkson Is Retiring

Forty-five years of following the sea will come to an end Oct. 1 for Capt. Charles Clarkson, chief surveyor at Seattle for the Board of Marine Underwriters of San Francisco, when he will retire after 22 years' service with the board. He will retire to his pear ranch, the "Anchorage," at Novato, Marin county, California, which he acquired in

1911 at the time he was attached to the naval auxiliary service in the historic task of raising the "Maine" in Havana harbor.

Capt. Clarkson and Wynn Jones, who retired recently as marine manager for McCollister & Campbell, will be guests of honor at a dinner of the Seattle Marine Board at the Washington Athletic Club Sept. 25. Richard T. Saunders, Fireman's Fund; H. P. Sargent, C. P. Sargent & Co.; and R. W. Norquist, D. K. MacDonald & Co., are handling arrangements.

Capt. Clarkson was born in South Africa in 1884, attended public schools in England, went to school in Belgium, and then shipped on sea vessel. Before he was 17 he had thrice girdled the globe. In 1903 he jumped ship at San Francisco and ever since has been a prominent figure in shipping circles on the Coast. He enlisted in the naval reserve and saw service in the Atlantic throughout the first world war as a lieutenant commander.

### P. P. F. Premium Chart

A 20-page "Personal Property Floater Premium Chart" showing personal property floater premiums already computed on amounts of insurance running from \$1,000 to \$10,000 in \$100 intervals has been published by Dan J. Egan, manager of the insurance department of Fausett & Co., Little Rock. The chart eliminates the necessity for figuring P.P.F. premiums by the formula. To find the correct premium, the agent turns to the page of the booklet showing the correct one year fire rate, picks out the amount of coverage desired, and in adjoining columns selects the correct premium charge for one or three years, with or without deductibles.

# WANT ADS

## WANTED

### FIELD REPRESENTATIVE AND INSPECTOR

One of the large Minnesota fire insurance organizations has an attractive opening for an experienced fieldman and inspector. Minnesota and North Dakota territory. Prefer one who is familiar with production and underwriting requirements of the participating or preferred rate plan. Please state details of your training and experience and salary requirements. All correspondence treated confidential. Address D-5, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

## WANTED

Two girls with some insurance experience to learn aviation insurance. Rapidly growing Chicago office, excellent working conditions. Call Wabash 1040.

## WANTED

Experienced inland marine underwriter with special agent ambitions, offering liberal starting salary, by one of largest stock fire insurance companies. State previous experience, age and salary desired. Address D-8, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### WANTED TO BUY WISCONSIN AGENCY

Man, 41, presently employed in general insurance field and with 8 years experience and outstanding production record wishes to purchase or buy interest in large Wisconsin agency. Write D-1, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

## WANTED

Fire Insurance accountant for Mid-Western Company. Experienced in preparation of Annual Statement and tax reports. Complete charge. State age, experience, references, etc. Address Box D-6, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

## Introduces Annual Premium Term Plan

(CONTINUED FROM PAGE 3)

ruled in 1937 that if this five year plan were used in the state, the company would not be permitted to sell any insurance on the regular annual premium basis. Faced with that ruling, General discontinued using the five year plan in Illinois.

General has had no other plans than the annual premium and the five year term program. It has no three or four year arrangement.

### Premium Reserve Question

The matter of premium reserves is involved in this situation. General of Seattle has a wholly owned finance company subsidiary and the finance company remits to the insurance company the full premium for the five years when the policy is written. Then it is understood General puts up the full premium reserve for a five year contract, which is 90% of the premium. Some of the states have required that five year policies with annual premiums be reserved as true five year contracts. Other states, however, merely required that the reserves be put up as the premium is collected. Missouri rules that term premiums may not be deferred unless a note is taken and 6% simple interest is charged.

In this situation, unless there were a finance company as intermediary, non-admitted assets would be created, as credit could not be taken for deferred premiums unless there were a note and interest charged.

### Effect Will Be Watched

The utmost interest is being expressed in how far reaching this move of the North America may be upon fire insurance business generally. General of Seattle undoubtedly made sharp inroads with its five year plan during the depression years.

There appear to be no reliable estimates as to the number of policies written on an annual basis that are eligible for term treatment. One company conducted research and discovered that about one-third of the policies were written for less than a five year term. However, this company made a rough guess that 20% of the policies were handled on an annual basis. Presumably any assured that has been buying insurance on an annual basis and was advised of the opportunity to buy insurance for five years and pay 80% of the premium that he has been accustomed to paying, after the first year, would seize that opportunity.

How many assured that have been accustomed to buying insurance on the term plan and paying the entire premium at the outset would desire to convert to the North America plan remains to be seen. The experience of General of Seattle seems to be that this plan does not in times of prosperity induce those paying the entire term premium in advance to make a switch but it undoubtedly would have a potent appeal in times of financial stringency to those who were trying to reduce their annual expenditures by deserting the term plan and going on an annual premium basis.

Some types of buyer definitely prefer to pay the premium in advance. For instance mortgage houses are not attracted by an annual payment basis. They want to know that the policy is paid for and can be filed away for three or five years.

### Interest Charge Involved

It is calculated that what might be termed the financing charge in the North America plan amounts to from 3 to 4% simple interest, depending upon the rate of agent's commission on a line and the rate for unearned premium insurance. Assuming an annual premium of \$100 for a \$40,000 line at a \$1 rate, the premium for a five year term is \$400. Under the North America plan the assured pays \$100 the first year leaving a balance of \$300. However, the agent's commission is deferred on that balance and

assuming the rate of commission is 25% the insurer is thus advancing \$225 and over the five year period it would collect \$20 more than what it would receive if the premium were paid at the inception of the policy and \$20 is 3 1/4% simple interest on \$225 for the period. However, the premium for unearned premium insurance which is provided would amount to \$2, so that the financing charge in this example would be actually \$18 or less than 3 1/4%.

If this plan should become general it would undoubtedly be a severe blow to the premium finance companies. First Bancredit Corp. is the leader in this field and its installment plans are based on 6% simple interest.

First Bancredit has three different plans for financing term premiums. The plan that mostly resembles the North America scheme provides for the assured paying the full annual premium the first year which as in the example would be \$100, the same as under the above North America plan. But for the second, third, fourth and fifth years. First Bancredit collects 86 1/4% of the annual premium which would tot up to \$345. The financing charge is thus \$45. This usually does not include unearned premium insurance.

General of Seattle was queried as to certain aspects of its experience with the five year, annual payment plan in view of North America's action and that company replied:

"Information we have here is not complete but it would seem to indicate that North America is really using a premium finance plan similar to the one we have been using in recent years. Under this plan the entire premium is set-up in the reserve and full commission is paid as the premium is advanced by one of our subsidiary corporations.

"This type of plan was more popular several years ago when money was not so plentiful. We are using this plan in most states although several prohibit attaching rider to policy.

"However, our so-called five year annual payment plan is somewhat different, as this generally is written for one year only with an endorsement agreeing to renew for succeeding years at 80% of the first year premium. Under this plan the reserve is set-up annually only and the commission is payable annually. We are presently using this plan in Florida, Georgia, South Carolina, Alabama and all Western Underwriters Association territory except Missouri, Ohio and Illinois. The supreme court of Ohio ruled we could not use this plan.

"This is really the popular plan which we have been featuring the past 15 years. It has converted many one year insurance buyers to term and frequently converted a heavy premium buyer from term to annual pay. The former is especially true in southern states where term insurance is not so generally written.

"The form is not practical for small term premiums as it simply means further breakdown into smaller premium units. We have found the form extremely popular with agents because it levels off commissions and holds business for a five year term."

The Pacific Board refused to consider North America's new term plan but it is still before the Eastern Underwriters Association, Western Underwriters Association and S.E.U.A. Decisions are expected in the near future from these organizations.

North America's plan has aroused much interest and discussion among executives of other companies and among producers but thus far there has been no indication of a rush to follow suit or go North America one better. Because North America had already suggested the plan to the four regional organizations the company's announcement did not take its competitors by surprise.

Opposition to the plan's general adoption centers on the necessity for collecting a premium each year and putting it through the books though the policy is

written on the term basis. Critics feel that this would mean just about as much work for the agent and the home office as a straight annual premium.

A point that was quickly raised as soon as North America announced its plan was the handling of the unearned premium reserve for annual statement purposes. It is recognized that a company of North America's size and financial resources would not be handicapped even if states should require setting up the unearned premium reserve based on the full term premium and allowed no credit on the asset side for premiums still to be collected. However, it is said that this might impose quite a hardship on some of the smaller companies. Liability beyond the year covered by the current installment is contingent on payment of the succeeding installment, consequently there is no basis for requiring an unearned premium reserve based on the full policy term unless future installments of the premium are to be allowed as an offset. At present there is some doubt as to what the various insurance departments would require on this point.

### EFFECTIVE IN CALIFORNIA

The North America's optional plan for payment of term fire insurance policies in annual installments is now effective in California. The initial install-

ment for a term policy is equal to an annual premium and each succeeding installment is divided equally, with a service charge for each installment. Policies may be written for the usual terms up to five years. Thus a three year term policy with \$100 annual premium or total of \$250 would be written on payment of first year premium of \$100 and two annual installments of \$78, making a total of \$256, the extra \$6 being the service charge collected in two installments.

In addition to the installment feature, provision is made for the reinstatement, without additional charge, of the policy after a loss.

### To Honor Winchester in N. Y.

NEW YORK—Philip M. Winchester, general manager eastern department Fire Companies Adjustment Bureau, who was recently elected most loyal grand gander of the Blue Goose, will be the guest of honor at the meeting of the New York City Blue Goose Sept. 26 at the Drug & Chemical Club. Most Loyal Gander W. T. Murphy, Newark manager F.C.A.B., will report as delegate on the recent grand nest meeting.


W. T. Ohl, special agent of Home, Newark, immediate past most loyal gander, will receive his past most loyal gander emblem.



(Photo by Harold Orne, Melrose, Mass.)


**THE FIRST** Cog Railway in this country, long a familiar sight and welcome convenience to Mt. Washington visitors, suspended operations in 1941. This single-track one-car train with engine pushing on the ascent and pulling on the descent, ran from the mountain's base to summit—some of the grades being as much as 45 degrees. Many people will hail the restoration of this unique ride which afforded unsurpassed scenic views.



*Whether American business soared to high peaks of prosperity or descended to the valleys of depression, the New Hampshire and Granite State Fire Insurance Companies have, through the years, consistently maintained and improved their service to agents and the insuring public.*



**New Hampshire**  
FIRE INSURANCE COMPANY  
Manchester, N.H. Incorporated 1869  
CAPITAL \$3,000,000

**Granite State**  
FIRE INSURANCE COMPANY  
Portsmouth, N.H. Incorporated 1885  
CAPITAL \$1,000,000



## EDITORIAL COMMENT

## Need for Concentrated Education

At this time of demobilization of the armed forces the so-called 100 hour educational course of National Association of Insurance Agents can be put to real service for veterans in many localities. Young men donning civilian clothes and preparing to reenter local agency work are anxious to get a concentrated and comprehensive reacquaintance with insurance. They have a far greater desire to engage in studies than do those returning to company employment because they feel the necessity of being posted on so many different lines and are frequently not in a position to get the answers as readily as those in company offices. While the publications listing the changes that have occurred during the war years are prized, even those agency employees who were fairly well grounded before they went into military service feel the need of reviewing the various forms of cover in an elementary way. After two or three or four years in war service they feel a lack of confidence in their knowledge of fundamentals and want to refresh themselves.

While there are texts and educational services that these men can read they desire to enroll in something as close to a school as possible, with competent teachers and discussion opportunities.

## Training Along Administrative Lines

There often arises a question in the minds of the company and agency management as to whether there should not be more training given to likely young men who give promise of developing into those of greater stature along administrative lines. A number of young men start in insurance, master some phase of it, become very efficient and resourceful as well as useful to their employers. They are very valuable in that particular sphere. Then they are promoted to supervisory work. Some of them develop and show a particular aptitude for handling administrative procedure. Others flounder and exhibit a fatal weakness in that respect.

Notwithstanding the fact that their record as a man in the line was excellent they failed to make the grade when it came to a supervisory activity. There are not very many offices that have any particular procedure to follow where training in administrative work is involved. Company management seems to rely on one's record in a department hoping that he will prove effective in a wider circle. It may not be entirely

Some of these men may be in a position to attend home office schools of the type conducted by Aetna Casualty, Travelers, Hartford Accident, Employers Liability, but for many others this will not be practicable and the best way to provide what these men need today we believe is the N.A.I.A. course. During the war emergency these courses were valuable in increasing the competence of women agency employees. They could now be adapted particularly to the need of returning veterans.

In addition to those agency employees with previous experience there will be newcomers in the field to whom these courses would be inviting. Hundreds of agents expect to have sons, sons-in-law, nephews or other relatives enter the agency upon their return. There will be a demand for large doses of insurance education within a relatively short period.

Local agents associations, we believe, should look into the N.A.I.A. project either with the idea of getting started immediately or as soon as a sufficient number of prospective students is at hand. Companies should be generous in permitting their field men and branch office people to take the time to serve as discussion leaders.

practical to have this training. However, it seems to us to be very desirable to develop men along administrative lines as well as in special work alone where no supervision is required.

Sometimes we encounter a tragic instance where a young man has made a real success in his specialty. He has become very efficient. His judgment is sound. His knowledge is comprehensive. His own company, however, questions his ability as an administrator. He may have been tried out on a small scale. The young man becomes discouraged and he receives a flattering proposition from some company and accepts it. He makes a dismal failure. The question comes up as to how far management is responsible in a case of this kind. Is it its duty to give the man sufficient training to try himself out and let him take the lesson rather than to permit him to go into another institution and fail. We need men of ability, knowledge, vision, sound judgment and resourcefulness in administrative work. Some training down the line would certainly be of great value.

## PERSONAL SIDE OF THE BUSINESS

Paul B. Sommers, president of American, and John R. Hardin, president Mutual Benefit Life, have been appointed to the municipal finance committee of the central planning board in Newark. The committee will coordinate the public improvement program on a long-range basis.

B. P. Carter, manager at Richmond, Va., for the Virginia-Carolina department, became a grandfather when a daughter, Mary Randolph Carter, was born to Lieut. and Mrs. James N. Carter in Richmond. Lieut. Carter is in Stuttgart, Germany, with the army of occupation, being a member of a company of engineers attached to the 100th division.

William W. Skinner, investment officer of St. Paul Fire & Marine, has been presented the bronze star posthumously awarded to his son, Sgt. William W. Skinner, Jr. The presentation took place at Fort Snelling.

A daughter, Susan Elisabeth, was born to Lt. Howard W. Yount who before entering the service was Illinois state agent of Eagle Star, and Mrs. Yount. Lt. Yount is now fire marshal at Patterson Field, O., for the Fairfield Air Technical Service Command, covering depots in eight states. After nine months with the Chicago ordnance district he was commissioned in the air corps and was placed in plant security work.

When Vice-president Leonard Peterson of Home returned from his vacation after Labor Day he found on his desk a huge basket of flowers commemorating his 25th anniversary. He was given a dinner by 75 members of the western department at which Secretary David H. Moore was toastmaster.

Mr. Peterson is a native of Chicago. He was educated at the Armour Institute of Technology and received his B.S. in fire protection engineering. He was with the Michigan Inspection Bureau from 1916 to 1917 and the Central Actuarial Bureau from 1919 until he joined Home in 1920.

Robert D. Safford, vice-president Travelers Fire who has had a siege of illness and has been hospitalized, is now back at his desk. He is vice-president of the Western Underwriters Association but will not be able to attend the annual meeting in Chicago this month.

The engagement is announced of Victor S. Cohen, chief of the policy bureau of the New York department at Albany, to Miss Kathryn Myers, daughter of Mr. and Mrs. Daniel H. Myers of Albany. She is art director at Columbia high school, East Greenbush, N. Y.

Prof. John Fetzer of the University of Iowa, who was with W. A. Alexander & Co., Chicago, before entering the teaching field, has received his Ph.D. in economics from that university. He will continue to teach insurance courses there this fall. Dr. Fetzer's dissertation was an economic study of the city of Davenport, which has attracted much attention in municipal and business circles. He is a brother of Wade Fetzer, Jr., president of the Alexander agency and public relations chairman of the National Association of Insurance Agents.

W. A. Miles, head of the Miles &

Miles agency of Chicago, has been able to return tentatively to the office after an illness of 4½ months. For two months he was in hospital under an oxygen tent. Mr. Miles suffered a coronary occlusion and nearly died. He now has very largely recuperated, but will take it easy. His collapse was ascribed to overwork and worry over the long illness of Mrs. Miles, who suffered a dietary disturbance.

Clem E. Wheeler, who has retired as associate western manager of Hartford Fire, expects to take up permanent residence at Ft. Lauderdale, Fla., Nov. 1. Mr. Wheeler states that he and Mrs. Wheeler expect to join some friends "also retired, but young in spirit and enjoying life in a new way."

Louis B. McGee of Thomas McGee & Sons, general insurance agency of Kansas City, Mo., a veteran of World War II, was chosen finance officer of the Missouri department of American Legion at the annual meeting in St. Louis.

Wilbert A. Becher, engineering supervisor of Factory Insurance Association in the western division at Chicago, was honored by his associates at an informal office gathering upon completing 35 years with the organization. He was presented a suitably engraved watch by the F. I. A. and his co-workers presented various gifts. A luncheon will be held in his honor next week. Mr. Becher started as an office boy with Western Factory and worked through various posts in the inspection and engineering departments. He is only 50 years of age.

## DEATHS

R. V. Riordan, one of the senior adjusters of Western Adjustment at the headquarters office, died recently at his home at Chicago. He was 56 years of age and had been with Western since 1925. In his earlier days he was with the C. & I.M. Railway, Illinois Central Railroad, American Appraisal Co., and Lloyds Appraisal Co.

Abner M. Upham, retired Iowa fieldman, died at his home in Jacksonville, Ill., of a heart ailment. Services were held there. He was a member of the Iowa Ashcota tribe of veteran fieldmen and of Iowa Blue Goose. He retired to Illinois several years ago after publishing agent credit reports for a number of years.

David Kanter, 57, owner of D. Kanter & Son agency of San Antonio, Tex., died. He had been in agency work 21 years. For 30 years a rabbi of Congregation of Agudas Achim, he had served as cantor for the congregation.

Paul E. Walsh, 52, head of Walsh Brothers Co., of Omaha, which is a general agency operating in Nebraska and Iowa, died in a hospital after an illness of eight days.

Mr. Walsh had been active in the insurance business 33 years. He was born at Humboldt, Neb., and was a veteran of the first war.

Walsh Brothers Co. is manager for Iowa and Nebraska of Merchants Fire

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of New York, Merchants Indemnity, Pacific and Jersey, and in Iowa for Bankers & Shippers.

Walsh Brothers Co. will continue under its remaining present officers who long have been with the corporation. E. O. Johnson is secretary and Arthur Johnson is also connected with the organization.

**Walter G. Shannon**, 79, for many years Ohio state agent of American, died at Eaton, O. Mr. Shannon retired several years ago. He was born at Piqua, O., and attended Miami and Ohio State Universities. His father was a life insurance man and Mr. Shannon worked with him, 1890-95. From 1895 to 1905 he conducted a local agency at Eaton, which was later operated by his son, John W. He was special agent of Connecticut Fire 1905-08, state agent of American 1908-32, and then manager at Columbus. He served as president of the Ohio Fire Underwriters Association and Fire Prevention Association.

**Fred B. Givens**, statistician for the Virginia department, was instantly killed the evening of Sept. 6 when a tractor he was operating on his farm near Richmond reared up and fell on him. Before becoming statistician for the department, he was a deputy in the fire marshal's division of the department. He was 40 years old.

**Deck H. Manley**, 64, Sioux City, Ia., local agent for about 12 years died. He recently sold the business because of poor health. Before going to Sioux City he had been a fieldman and agent for many years.

**Gessner Harrison**, adjuster in charge of the Fire Companies Adjustment Bureau at Hagerstown, Md., suffered a heart attack while driving from Hagerstown to Martinsburg, W. Va. While being taken to a hospital at Martinsburg, he died. He was 69 and was educated at the University of Virginia. He started with the old Virginia State at Richmond and later served as special agent for Phenix of Brooklyn, American, and Security of New Haven. In 1921 he joined the General Adjustment Bureau at Baltimore and in 1934 was appointed adjuster in charge of Hagerstown.

**Harold Allen**, 49, Tacoma local agent, died from a heart attack.

**Mrs. Louis E. Yager**, whose late husband was head of the L. E. Yager & Co. local agency of Chicago and was president of the Chicago Board, died at her home in Chicago. She was 70 years of age and was a leader in musical circles. She was chairman of the Young American Trained Artists Department of the National Federation of Music Clubs. She was a former president of the Illinois Federation of Music Clubs and was active in other organizations in that field.

**Mrs. Frances E. Grupe**, whose husband is Albert H. Grupe, head of the Chicago office of Jones & Whitlock, died of a heart attack while visiting a sister at Cedar Rapids, Ia. Funeral services were held in Chicago Tuesday.

**Harold M. Greenberg**, executive general adjuster for Western Adjustment at the Chicago head office, and a man who had developed an unusually extensive acquaintanceship with insurance men throughout the country, died of a heart attack Sunday afternoon while visiting at the home of C. E. Estabrook, president of the North Wisconsin agency of Rhinelander, Wis. He was 54. With Mrs. Greenberg and their 17 year old son Richard, they had been vacationing the previous week in Wisconsin and were making a sociable visit to Mr. Estabrook. It was typical of Mr. Greenberg that he was with an insurance man at the time of his death.

Mr. Greenberg enjoyed human companionship. He was friendly, generous and helpful. He did hundreds of services for his friends and delighted in doing so. Dozens of men that he met in the line of duty he converted into fast personal friends. The Greenbergs entertained extensively at their home in Winnetka, Ill., and Mr. Greenberg was on intimate terms with a

great many company executives, local agents, adjusters, lawyers, men in the salvage line and those supplying various materials and articles needed in replacing insured losses. He was especially well posted on sources of supplies of various kinds and his friends frequently called on him to help them get various items that they needed or get advice on quality and price. Mrs. Greenberg is a gracious hostess and they did a great deal of quiet entertaining at their home.

Mr. Greenberg, among other things, was in charge of the leases of the 146 branch offices of Western Adjustment. He made trips regularly to eastern cities to call on executives of companies that do not maintain western departments at Chicago or other middlewestern points. He was adept at handling human situations and had the common sense approach.

Mr. Greenberg started with the western department of American at Rockford, Ill., as an office boy in 1905. The next year he went with Security of New Haven, whose western department was also located at Rockford as a field man and remained in that position until 1916. For the next five years he traveled in Illinois for National Liberty and since 1921 has been with Western Adjustment. He opened the Western's Rockford office, later was called to Chicago as general adjuster and subsequently was appointed executive general adjuster.

Mr. Greenberg had just sold his home at Winnetka and was preparing to move into an apartment at Evanston. The Greenbergs had planned at some later date to build a ranch type home.

**Henry F. Evans**, 82, member of the Cashman & Evans general agency at Denver, died in a hospital there following a week's illness. He was active in the insurance business up to the day he went to the hospital.

Born near Baltimore, Mr. Evans moved to Kansas with relatives in the early 1870s where he lived for a time on a homesteaded farm, later locating in Wichita. He moved to Denver in 1889 and for a time was employed in the mercantile business. He entered insurance in 1893, the firm being known as Scheidmantle & Evans. Mr. Scheidmantle retired in 1909, and Charles F. Cashman, who was in the local agency business at Trinidad, Colo., and Thomas Holland of that city joined Mr. Evans as general agents. Since that time the firm has operated as Cashman & Evans. Mr. Holland died about 15 years ago.

For many years Mr. Evans traveled Colorado, Wyoming and New Mexico for his firm and had a wide acquaintance with the insurance fraternity throughout the Rocky Mountain territory.

**Harvey G. Stocks**, 77, veteran Evansville, Ind., local agent, died Sunday after several weeks' illness. For 49 years he conducted the Harvey G. Stocks Agency there.

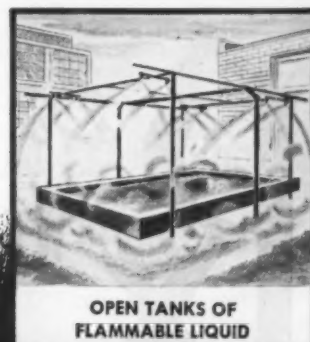
**Abner M. Upham**, who retired after 30 years' service as state agent in Iowa for Liverpool & London & Globe, died Monday in Jacksonville, Ill., at the age of 81 as the result of heart failure. He was the brother of Hal C. Upham of Oklahoma City, for many years superintendent Oklahoma Audit Bureau and later an independent adjuster.

#### Kemper Finance Chairman

James S. Kemper, president of Lumbermen's Mutual Casualty at Chicago and head of the famous Kemper insurance fleet, has been reappointed chairman of the finance committee of the National Republican party. Mr. Kemper served with distinction in that capacity during the presidential year.

Mr. Kemper was the chief speaker at the 50th anniversary celebration of the Lumbermen's Mutual at Mansfield, O., and from there went to Washington, D. C., to confer with the directors of the U. S. Chamber of Commerce of which he is a former president. Then he goes to New York to attend the meeting of the all-industry insurance committee.

## How Do We KNOW that

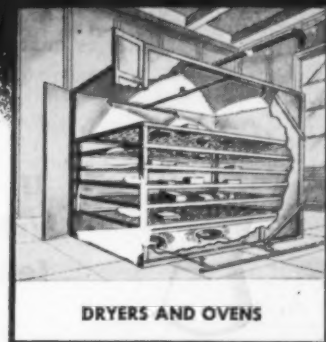


OPEN TANKS OF FLAMMABLE LIQUID



TRANSFORMERS

## "AUTOMATIC" FIRE-FOG Quenches Really Tough Fires?



DRYERS AND OVENS

That's simple—we put FIRE-FOG to the test. Here's what we do:

In our Test Yard at Youngstown we recreate actual conditions. If it's a question of extinguishing a quench tank fire, say, or a blazing transformer, we "set the stage" for the fire, exactly duplicating conditions where such fire hazards exist.

Then we know, almost to a second, how long it takes FIRE-FOG to quench fire; the most effective type and arrangement of FIRE-FOG nozzles; the amount of water used, etc.

Thus we eliminate guess-work. And what soul-satisfying comfort there is in the thought that FIRE-FOG is automatic in operation—an alert fire guard on duty 24 hours out of every day.

FIRE-FOG stops fires in Mixers, Coaters, Ovens, Dryers, Dip Tanks and flammable liquid processing, handling and storage facilities.

## "Automatic" Sprinkler


"AUTOMATIC" SPRINKLER CORPORATION OF AMERICA

YOUNGSTOWN, OHIO . . . . . OFFICES IN 36 CITIES

"Automatic" Sprinkler manufactures and installs a complete line of fire protection devices and systems for all types of fire hazards. Listed by Underwriters' Laboratories and approved by Factory Mutual Laboratories.

# R Do You Know the Origin of This Symbol?

## WELL... NEITHER DOES ANYONE ELSE!

It appears on present day prescription blanks and simply indicates that the formula written thereon is a recipe. It also means "to take" or "take of". In ancient times it appeared on prescriptions as the sign of the god, Jupiter  under whose divine protection medicine was placed. It was intended as an invocation for his help or mercy and probably was asked in behalf of the one who had to swallow the dose.

From there on back it has been traced through the centuries to hieroglyphics and was always identified with healing or protection though the reason for this is unknown.

Appropriately enough this symbol is featured in a new circular of **The Preferred Accident Insurance Company** known as the . . . "**Combination Drug Store Circular**". This is certainly a recipe for protection!



**If your Druggist could take a mortar and pestle and grind out the salient features of this policy he would learn that it covers for —**

**DRUGGISTS LIABILITY  
PERSONAL INJURY  
ROBBERY  
KIDNAPPING**

**SAFE BURGLARY  
OPEN STOCK  
DAMAGE RESULTING FROM BURGLARY  
LARCENY AND EMBEZZLEMENT**

The sound investment represented by this policy justifies a call upon your local Pharmacist which might lead to your writing more than the Drug Store Combination Line.

Write for a circular and specimen policy to the Home Office or any of its branches:

*The Preferred  
Accident Insurance Company  
of New York*

Established 1885

80 MAIDEN LANE, NEW YORK 7, N. Y.

Edwin B. Ackerman, President

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## Debate Increased Commissions at Alabama Gathering

### Ask for Stricter Enforcement of Counter- signature Law

#### NEW OFFICERS ELECTED

President—John O'C. Jackson, Mobile.

Vice-President—Jesse C. Hearn, Roanoke.

Chairman executive committee—Sam A. Bloch, Gadsden.

Secretary—Millard R. McGruder, Birmingham.

New Directors—A. A. Adams, Jr., Birmingham; John Patterson, Decatur; Chris B. Heinz, Selma; W. Douglas Leake, Jr., Jasper.

BIRMINGHAM—At the annual convention of the Alabama Association of Insurance Agents here one of the principal actions taken by the members was the adoption of a new streamlined constitution which, while it embodied the fundamentals of the former constitution,



M. R. McGruder



J. O'C. Jackson

was revised to meet the requirements of current trends in the business. A number of proposed amendments were not acted upon, following the adoption of the new constitution, but were referred to the executive committee.

A resolution on the subject of agents' commissions was debated, but finally was tabled. Then the members voted to refer the whole subject of increased commissions to the Alabama member of the Southeastern Agents' Conference, which body is normally concerned with this and other matters of interest to Alabama agents. It plainly was the consensus of opinion that some increase in commission should be granted to local agents.

The convention adopted a resolution calling upon the insurance department to make an effort to enforce the countersignature law more effectively. The belief was expressed that perhaps the state and some municipalities are deprived of tax income through evasion of the law.

The membership now stands at 255. The first session of the convention was for members only. President George H. Butler presided, and reports were given by the chairmen of the important committees. Arthur M. Mead reported for the legislative committee as its chairman and in it he recounted the enactment of the various rating laws. He also reviewed the efforts made by the association to have a new qualification measure enacted, and described the strong opposition which defeated the bill.

(CONTINUED ON NEXT PAGE)

## Gives Tips to Buyers of A. & H. Insurance

Household Finance Corp. has gotten out a booklet "Money Management, the Health Dollar" in which one section is devoted to giving advice on how to judge the quality of accident and health protection. The booklet states that the most economical way to buy sickness and accident insurance is through group organization. There is no "bargain" policy. The cost of any such insurance depends fundamentally upon the extent of the benefit provided. Some limitations, even though they bring the cost very low, may make the insurance of little value. It costs the insurance company much more to handle policies which pay many claims even though they are small ones than to handle policies which pay a large benefit on a type of claim which will not occur often. Under the caption "How to Understand Your Policy" the pamphlet states:

#### Integrity of Agent

The value of an accident and health policy is nearly always measured by the integrity of the agent as well as the financial standing and general reputation of the insurer. The size of a company is not a measuring stick. There are excellent large companies and equally excellent small companies serving smaller areas. To find out the financial character of the company, ask the agent or the company for a copy of their latest financial statement. All good companies make this available to any person. If you do not know your agent personally, ask him for references.

Certain limitations are commonly found in health and accident policies, which lower the insurance risk and reduce the premiums. The maximum number of days of hospitalization paid for and the price of the hospital room are specified. If other services are to be paid for, the maximum amount allowed for each is stated.

You may waive benefits for the first days or weeks of illness, planning to meet the costs of short periods of illness out of income and savings, and rely on insurance for the heavy bills of an operation, a long illness or accident.

#### Diseases Not Covered

Your policy may list certain diseases for which no benefits will be paid. Read it carefully to find out whether the list is a short one and sounds reasonable, or a long one which materially reduces the value of the policy for you.

Lower and upper age limits are usually set. Unemployed persons are generally ineligible, since the plans are intended to compensate for loss of income.

The wording of some health and accident insurance policies leaves doubt as to exactly what benefits are, and what benefits are not included in the plan. Before subscribing to any plan, the reader should investigate it thoroughly. After you have studied the policy yourself, take time to read it over with your insurance agent and ask him to interpret any parts you may not understand. Ask him also to explain to you what benefits you would be entitled to under various special circumstances. By finding the answers to the following questions, you will be able to understand the terms of the policy and judge its value to you.

What will your beneficiary receive in case of your accidental death?

What are the requirements for accident and sickness disability?

Does the policy provide benefits for partial as well as total disability?

Are the benefits reduced if sickness disability does not require continuous confinement to the house?

What will you receive each week or month when disabled?

How long will you receive benefits?

Are there other benefits besides payment for loss of time, such as payment of hospital bills? Medical fees? Nursing fees?

Are the first seven days (or more) excluded in benefit payments?

Is there a deductible clause requiring the policy holder to pay his initial medical bill? If so, how much must he pay before benefits can be obtained?

If it is a service plan, how much medical service is included? How much surgical service?

Are diagnostic services included?

Are consultation services included?

#### Maternity Services

Are maternity services included?

Does the plan cover the more common operations and illnesses?

What other services are included?

May you choose your doctor and your hospital?

When does your policy go into force?

Important parts of your accident and health policy, and the parts which are sometimes the most difficult to understand, are the exceptions, limitations and reductions in indemnity.

Are indemnity payments limited to certain ages?

Does the premium remain fixed as long as the policy is in force, or are there reductions in benefit or increases in premium at the older ages?

Are there territorial limitations?

#### War Clause

What kind of war clause is in your policy?

Are there occupational restrictions?

Does it cover airplane travel?

Are exceptions made in the policy or in any papers attached to the policy for certain illnesses or conditions? If so, what, exactly, are they?

What limitations are stated due to a medical history of previous illnesses? Remember there is no medical examination required for most accident and health policies but any material misrepresentation in the application you fill out may justify the company in declaring the policy invalid.

#### Keep Policy in Force

Be especially careful to see that your policy is kept in force at all times, for many accident and health policies do not provide a grace period for payment of premiums. You often hear of instances where through carelessness a premium had not been paid, allowing the policy to lapse just before need for it arose. If blanks are sent you, fill them out carefully and return them promptly. The older policies frequently contain more favorable provisions than later ones offer, and you should guard them.

### Virginia Commissioner Tells Success of New Law

RICHMOND, VA.—The motor vehicle safety responsibility law has been highly successful in Virginia and its administration has been handled satisfactorily by the division of motor vehicles, according to Commissioner Joyner, in the first quarterly report on automobile accidents.

The report for the three-month period showed that as a result of 4,480 accidents in the state the drivers' permits and license plates of 3,023 persons, of whom 62 were non-residents, were suspended. A total of 2,822 persons carried liability insurance.

The amount of damage caused by accidents was \$727,319 and almost half of the total came from personal injury.

## N. Y. Accepts New Auto Rate Filing; U. S. Prototype

### B. I. Tariff Same as Pre-War; P. D. 25% Higher; A-1 Changed

NEW YORK—The New York department Wednesday accepted the casualty auto rate filings effective Sept. 17 for new business and Nov. 1 for renewals and these, it is expected will be the model for other states. For B.I. the new B rates are the same as the pre-war B tariff, A rates are 10% below B, and A-1 are 25% less than B instead of 15% as before the war. P.D. rates are about 47% higher than the war time level and about 25% above pre-war.

NEW YORK—The National Bureau of Casualty & Surety Underwriters and the Mutual Casualty Insurance Rating Bureau Friday filed with the New York department the revised rating plan and a new schedule of rates for automobile bodily injury and property damage liability.

The rating plan follows exactly the former A, A-1 and B classifications used before the war in most states, except that there is no limit on the number of drivers in the A-1 classification (7,500 miles or less) as long as they are age 25 or older. The original A-1 requirement limited the number of drivers to two. Before final decision was reached on the present plan some very forceful arguments were put forward for reducing the age limit from age 25 to age 21, on the ground that this would be more readily accepted by the public. However, the version agreed upon continued the same age requirement as was used before the war.

Whether the plan filed in New York will be promulgated unchanged for other states in which the National Bureau and the Mutual Bureau have jurisdiction has not been decided. It was discussed at a National Bureau meeting Friday. A conference of stock and mutual committees was scheduled for this week, as the two classes of carriers usually put out the same plans and rates for those states in which the mutual bureau has jurisdiction.

Agents and other insurance people in the hinterland have expressed curiosity as to why the automobile third party post-war rate program should have been held up in other states until approval of the program was first obtained in New York. In the fire insurance field, the National Automobile Underwriters Association put through its program immediately throughout the country and the plan of charging C rates for collision insurance for everyone by last week was established in every state except New York. Leaders in the casualty field, however, took the position that although they could go ahead in many states with a new program embracing rate increases, it would be unfair to do so until the program could be put into effect generally. Otherwise, motorists of New York might enjoy an advantage over the motorists of other states for a fairly long period.

The decision to return to the A, A-1 and B classification system in use before the war had the support of the agents and brokers whose representatives met with the National Bureau Sept. 5 to discuss the various proposals. The produc-

ers organizations opposed the use of a mileage basis except as a temporary expedient for drawing the lines between the A and A-1 classes until a long range plan can be worked out.

This week's American Agency Bulletin contains a resume of the position taken by the National Association of Insurance Agents in which the National Association of Insurance Brokers and the other brokers organizations and the National Association of Casualty & Surety Agents concurred. Roy A. Rufus, Rochester, chairman N. A. I. A. casualty committee, spoke for that organization.

The following grounds were advanced for not using a mileage basis: it would encourage chiseling since the condition of cars and tires make it difficult to determine even approximately the amount of driving done; it is not a true measure of hazards; territorial differentials are a fairer measure of use; it is costly, annoying, complicated, cumbersome and not salable; it is a backward step at a time when there is an opportunity to make a fresh start based on postwar conditions; it discriminates between the high mileage driver and the low mileage driver who has physical handicaps because of age; if a division is to be made it might better be between business and personal driving which is easier to determine.

#### Single Limit Policy

The producers expressed unanimous preference for a single limit policy of \$10,000, though in some states the laws might require a \$11,000 policy to comply with financial responsibility laws. The policy should include medical payments coverage with a limit of \$250. Provision could be made to eliminate medical payments cover in those cases where competition or other reasons made it expedient. Premium charges should be in even dollars. The table for increased limits should be revised so that loadings for higher limits should not be as high as in the present table because the property damage loading would not be as high.

Provision might be made to have increased limits apply only to personal liability coverage. Where possible fewer territorial divisions should be made. The policy should be written for terms up to 24 months where car financing required. The suggestion was made that consideration be given to a study of a policy to insure the driver rather than the car. It was also suggested that a study be made of a revision of the standard short rate table to remove present inequities. The revision might be along the line of a prorata charge for the policy plus a steadily decreasing loading for the short term. This would remove the present unfair practice of having a short rate penalty of 20% on a six months policy as against a penalty of only 11% on a one month policy.

The producers recommended that if new rates are to be those proposed on prewar rating procedure with necessary changes they be regarded as temporary and that immediate consideration be given to the above suggestions in order that the producers may be soon able to present to the public an automobile liability policy in line with broadened contracts in other lines of insurance. They expressed the hope that the safe driver reward plan would not be revived.

John C. Stott of Norwich, president of New York State Association of Local Agents, headed a delegation representing that organization as the plan was scheduled for earlier filing in New York than elsewhere.

Superintendent Dineen of New York in announcing Wednesday approval of the rate filing said the companies acknowledge that judgment enters largely into the calculations. He expressed regret that sounder mathematical bases were not available. He deplored the fact that experience had not been segregated as between A, B, and C card assured during the war.

The preferred rating plan, involving the use of surcharges which was in effect in New York prior to the war, is not being reinstated. In referring to

the fact that the A-1 rates will now be 25% below B instead of 15% as before the war, Dineen said the discount should be even larger.

In New York City, Manhattan, Bronx and Kings counties, the new B rate for B.1., which is the same as pre-war is \$58.90. The C card war rate was \$44.15. For P.D. the new B rate is \$17.65, pre-war B \$14.10, and C card \$12. The relativity of the P.D. rates in other territories is about the same.

## Debate Increased Commissions

(CONT'D FROM PRECEDING PAGE)

John O'C. Jackson of Mobile, the chairman of the committee on rates, rules and forms, and James O. Hargis, Jr., Birmingham, vice-chairman, presented reports. Mr. Hargis, Alabama member of the central committee of the Southeastern Agents' Conference, reported on the recent meeting of that organization.

Manager M. R. McGruder, reviewed the work of the grievance committee, James O. Adler, Mobile, chairman; fire prevention committee, Enoch Morris, chairman, Tarrant City, and accident prevention, D. D. Leake, Jasper, chairman.

In the absence of Luther J. Thomas, Sr., Dothan, chairman of the education committee, Charles Morris of Tuscaloosa, presented the report from that body. The committee is cooperating with the University of Alabama to intensify and expand insurance education in the state. The committee urged local groups to make more use of the N.A.I.A. outlines, and it also promised that the association would conduct short course schools at the university as soon as it is possible to organize the program and perfect arrangements.

Neal Morgan of Heflin, chairman of the rural agents committee, said that new forms have helped in that field but rates on farm properties are still considered out of line. The committee urged further reductions.

There will be a great increase in agents' activities all over the country, W. Loring Ferguson, New Orleans, executive committeeman of the National association, said in his talk. With the war over and the many restrictions being lifted, essential business of associations, including the public relations program, can be tackled in a much more satisfactory way, he said.

Charles L. Gandy, former president of the National association, was chairman of the resolutions committee, assisted by Charles Morris, Tuscaloosa, and Sam Bloch of Gadsden. Joseph A. Duckworth, Tuscaloosa, chairman, C. C. Crawford of Birmingham, and Neal Morgan of Heflin made up the nominating committee. Millard R. McGruder, manager of the association, made his report on the central office.

The annual dinner for past presidents was attended by 25, including eight past presidents.

Mr. Duckworth of Tuscaloosa, presented to the retiring president, George H. Butler, Anniston, a traveling bag as a token of appreciation from the membership. Following this Maurice M. Walsh, president of the Birmingham association, installed the new officers.

The convention closed with a dinner and dance in the evening at which the association entertained numerous guests including public officials of the city, county and state. James O. Hargis, Jr., vice-president of the Birmingham association, arranged the affair.

The Insurance Women of Birmingham gave a luncheon for the visiting women. Mrs. Verdery Greenwood was chairman of the committee in charge.

Mr. Jackson, the new president of the Alabama association, entered insurance in 1923 with the Alabama Inspection & Rating Bureau and helped with the rerating of Birmingham and vicinity as special agent. He shifted to the Mobile office in 1926. In 1937 he entered the local agency business. He is a

## Grantor Held Liable by New York Court

The Gedex Realty Corporation was held liable for an accident after it had conveyed the premises to one Cohen, in a decision by the New York court of appeals. This was a case of grantor's liability.

The court held that there was evidence from which the jury could have found that the president of Gedex Realty knew that the fire escapes, including the stairway in question, were "at a point where further corrosion would make them dangerous," that he had reason to believe that the vendee, Cohen, would not realize the risk involved and that he failed to disclose this condition to Cohen. The judgment of the lower court was affirmed with costs. (CCH 11, 953 and 12, 641.)

William T. Gallagher and Emery M. Anderson appeared for Gedex Realty; Thomas J. O'Neill, Daniel Danziger, and Leon Mnuchin appeared for McCabe, the plaintiff; and Samuel J. Penn and H. Sydney Landau for Cohen et al.

## Ill. Bankers Fear Wave of Burglaries and Holdups

The crime prevention and insurance committee of the Illinois Bankers Association, at a meeting in Chicago Monday pondered the possibilities that the ending of the war may result in an increase in bank burglaries and holdups. The members weighed the possibilities and considered what measures might be advocated to minimize the hazard.

The principal speaker was T. P. Sullivan, director of the Illinois department of public safety. He predicted that a crime wave is imminent and that the banks will not be immune from attacks by organized bandits. He recalled that after the former war there was a great increase in crime and he declared it is no reflection on the men in service to anticipate that crime will increase with demobilization. He said that in Illinois 3,500 men were released from jail to join the army and that if men in this group are not provided with jobs many of them are likely to turn outlaws.

Mr. Sullivan stated that one of the most effective methods of rounding up fugitive bank bandits is an efficient network of two-way police radio equipment and he recommended that the bankers association seek to persuade county boards to install two-way police radio systems and to maintain an ample force of deputies.

Harold Bacon of Crystal Lake is chairman of the committee.

### Incorporate M. F. A. Mutual

COLUMBIA, MO.—The M. F. A. Mutual of Boone County has been organized here to write direct and reinsurance casualty lines. Incorporators were L. O. Wallis, Springfield; Roy D. Hatcher, Shelbyville; D. E. Ellis, Crane; John L. Meisner, Clarence; A. Neuschwander, Deepwater; F. V. Heinkel, Columbia, and C. C. Collins, Trenton. A. D. Sappington, Columbia, is the attorney.

### Glens Falls Changes

Glens Falls announces several changes. Wesley R. Carlson, Philadelphia manager, has been called to the home office as territorial agency superintendent. Laurence G. Doyle, who has been Philadelphia manager for Glens Falls Indemnity has been promoted to manager of Glens Falls and Commerce, succeeding Mr. Carlson.

William G. Winkler will be assistant manager at Philadelphia. W. Brooks Evert remains in full supervision of eastern Pennsylvania for the fire companies.

past president of the Mobile board, and past chairman of the executive committee of the Alabama association. He served during the past year as vice-president.

## Seek Records of Other Companies at Hearing of National Automobile

LOS ANGELES—Neil Cunningham, counsel for National Automobile & Casualty, has requested that Howard E. Dickey, Pacific Employers, and Harry Parks, Pacific Indemnity, be subpoenaed along with their companies' compensation claim records in connection with the National Automobile hearing. Deputy Commissioner Thomas ruled that the request must be accompanied by an affidavit showing the materiality of the records to the case. After several long drawn out arguments, Mr. Cunningham filed the affidavit and then Mr. Thomas held that because the subpoenas affect a third party it would be necessary to review the citations on the constitutional rights of the third party before ruling on the request.

The hearing was recessed until Friday to enable company counsel to prepare a petition for a writ of mandate to be presented to the superior court to compel the hearing officers to issue the requested subpoenas. This recess was granted after the hearing officers had denied a motion of defense counsel for a recess in order to permit them to prepare a written request that the insurance commissioner ask for an opinion of the attorney-general on the matter of issuing the subpoenas.

Counsel for Pacific Indemnity and Pacific Employers were present and asked to be heard. Mr. Thomas, in ruling on the request for the subpoenas, held that to hear such counsel would assist in clarifying the affidavit attached to the request, and would obviate the later necessity of motions to quash and consequent extension of the hearing.

The motion alleging that National Automobile paid less than the amount due to injured workmen was dismissed at the request of Deputy Commissioner Fullenwider.

Two claims men of other companies were called as witnesses by National Automobile's counsel, W. J. Whitchurch, vice-president California Agencies, and Howard E. Dickey, claims manager for Victor Montgomery General Agency which represents Pacific Employers, testified regarding claim practices but both pointed out they were not familiar with claim practices of other companies.

## Hanna Heads American Casualty Fidelity Department

American Casualty has promoted Samuel F. Hanna to manager of its fidelity department in the home office. He has been manager of the fidelity and surety department in the company's branch at Philadelphia for the past several years.

Mr. Hanna is a native of Philadelphia, and has specialized in fidelity and surety business with 16 years of home office training and experience.

### Central Mutual Suits

ST. LOUIS—Roy D. Keehu successor receiver for Central Mutual of Chicago, has filed 532 individual suits for a total of \$81,303 in St. Louis circuit court, against policyholders residing in Missouri.

John Grimaldi of the National Conservation Bureau and George Wilson, Zurich, have both qualified as candidates for the doctor's degree at New York University. Mr. Grimaldi will specialize for his degree in industrial safety and Mr. Wilson in safety education.

Joseph T. Magee, 84, who retired as vice-president and general counsel of National Surety in 1932 at the time of the company's reorganization, died this week at his home in Bellport, L. I. He joined National Surety in 1904 as general solicitor and was made general counsel in 1925.

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## Confer in N. Y. on Impaired Veterans

A conference to encourage industrial employment of physically and mentally impaired war veterans, sponsored by the Association of Casualty and Surety Executives, was conducted at the association's headquarters in New York City. It was presided over by Dr. H. J. Stack of the Center for Safety Education of New York University.

Speakers included J. Dewey Dorsett, association general manager, and Ray Murphy, general counsel. Dr. V. K. Harvey, medical director U. S. civil service commission, K. V. Banta, chief disabled veteran section, War Manpower Commission; Dr. Lydia Giberson, staff psychiatrist Metropolitan Life, and J. V. Grimaldi, research engineer National Conservation Bureau.

Mr. Murphy emphasized that a disabled veteran is not handicapped in his ability to obtain employment by reason of anything in insurance policies. He said that if any impression prevailed that companies writing workmen's compensation influence employers in selection of workers and advise employers against employment of disabled persons, that is erroneous. Member companies are opposed to advising employers against employment of disabled persons.

The initial rate for compensation is governed by the industrial classification involved, he said. Physical defects of workers are not considered in determining rates, and no higher rate is charged because of employment of physically disabled persons, nor is employment prohibited in any way by the terms of compensation policies.

Dr. Harvey said his organization looked upon impaired veterans as a source of manpower of such enormous proportion that it could not be disregarded, and he said efficiency of impaired workers is surprisingly high. From October, 1942, to July, 1945, the civil service commission found employment for 63,000 workers, of whom 12,000 were totally blind. Mr. Banta said the war manpower commission looked upon the disabled worker as part of the normal labor market, and that he is recommended because he is capable rather than because he is a cripple.

The mental attitude of the battle-fatigued veteran was discussed by Dr. Giberson, who advocated a six months period of mental rest in each case where it appeared advisable to enable regaining proper position at home without being subjected to the stigma usually attached to psychiatric treatment.

## Lester Menegay Joins American Re

NEW YORK—Lester A. Menegay, until recently vice-president of Excess Underwriters, has become a vice-president of American Reinsurance. He has been in the insurance business for the last 30 years, and is well known and highly regarded both in this country and in England as a reinsurance and excess cover underwriter.

Mr. Menegay started in the insurance business with Ream, Ives & Wrightson. When that corporation dissolved he joined Henry W. Ives & Co., continuing there until 1928. He joined Excess and became first vice-president in 1935.

In 1939 he left to become vice-president and manager of the reinsurance department of Peerless Casualty. He resigned in 1940 to join Excess Underwriters.

## Disabled Veterans No Problem

MILWAUKEE—If properly placed in employment, the returned veteran, especially the disabled, will pose no problem, Clark D. Bridges, director of conservation services of Zurich, told department heads and supervisory employees of the city of Milwaukee.

## Study Butane Dealer Problem

The law recently passed by the Texas legislature which became effective Sept. 4 requiring butane gas dealers to carry a minimum of \$10,000 personal injury and \$5,000 property damage insurance has turned the spotlight on a problem that is a vexing one to underwriters. Butane is not a desirable risk because it is heavier than air, colorless and usually odorless which makes a leakage almost impossible to detect. If an explosion occurs, the damage is extremely heavy.

Butane is not carried in trucks specially designed for the purpose as gasoline and oil usually are. It is contained in cylinders or drums and frequently is carried by small independent truckmen. It is used in outlying rural areas where gas is not supplied by the utilities.

The Texas board of insurance commissioners has issued an order applicable to new and renewal policies except on experience rated risks which are governed by the anniversary rating date providing that increased limits table II shall apply on all policies covering trucks hauling butane or liquefied petroleum gases where the limits are written for bodily injury liability in excess of the standard 5/10 limits. It has also set up a table to be used where the standard \$5,000 property damage liability limits are increased.

Because it is difficult for butane gas dealers to secure insurance, there is a move on foot by the Texas Butane Dealers Association to form an insurance company to write the required coverage.

Texas is believed to be the first state to enact a law requiring butane dealers to carry a minimum of insurance protection although the financial responsibility laws in some states cover this to a certain extent.

## PERSONALS

Arthur C. Leonard, since 1937 casualty underwriter for Hartford Accident in Los Angeles, is observing his 25th service anniversary. He started with Hartford in San Francisco as a clerk in 1920, was advanced to payroll auditor covering both northern and southern California and then was named to his present position. He is president of the Accident & Health Managers Club of Los Angeles.

Officials of the western department of Hartford Accident at Chicago, department heads and associates honored Edwin Finn, formerly special agent in northern Illinois and with the company 18 years, at a farewell party at the Edgewater Beach hotel, Chicago. Mr. Finn has just resigned to go with the John S. Skinner agency at Princeton, Ill.

Floyd M. Hunter, vice-president of Carolina Casualty, in charge of the accident, health and hospitalization department, is at Purdue University, attending the fall term of the University's special course in accident and health insurance.

A. K. Layden, head of the burglary and plate glass department of the U. S. head office of Zurich, and Mrs. Layden announce the birth of a son who has been named Arthur Kendall Layden, Jr., at St. Francis Hospital, Evanston, Ill. The weight, 7½ pounds.

Edward C. Stone, U. S. manager of Employers Liability, presided at a dinner meeting launching the greater Boston Salvation Army drive for \$400,000. He is a member of the greater Boston advisory committee of the army.

Martin W. Lewis, president of the Townner Rating Bureau, is in Washington this week on business, looking over developments in the reconversion program and the legislative situation.

## Controversy Over New Safety Rules

A revision of the general safety standards of the state of Washington department of labor and industries, which purports to compel boilerwriting insurance companies to qualify their inspectors and file detailed reports on all boiler and pressure vessels insured, has been adopted after a hearing at Olympia Aug. 29. The standards have the effect of law.

The announcement brings to a head a controversy which has been in progress between boiler-writing companies and Dan Adair, supervisor of safety. The carriers contend the standards, as stated in the revision, "shall apply to all extra-hazardous work or occupations coming under provisions of the industrial insurance and medical aid acts \*\*\*." Therefore, they say, the department is without authority to establish rules purporting to compel a third party to comply with the regulations. Later in the rules it is stated the "words 'shall' or 'must' are \*\*\* compulsory upon the individual concerned therewith."

### Commission Is Required

One of the most objectionable features of the new "rules" states that "boiler inspectors shall have a current National Board boiler and pressure vessel inspector's commission and must be approved by the division of safety of the state of Washington department of labor and industries. Certification of inspectors by the division of safety shall be limited to a period of one year."

The A.S.M.E. code is adopted as standard, and in this connection the insurance company inspectors are required to file reports within 15 days after the inspection has been made.

Another requirement is that a report in duplicate "on National Board forms shall be promptly filed by the insuring company following the cancellation or suspension of boiler insurance." A similar report shall be filed by the insurance company following issuance of new boiler insurance.

One of the most objectionable of the requirements states:

"Insurance companies shall file with the division of safety, a list containing (1) the names of their insured, (2) the type of boiler or pressure vessel, and (3) location of every insured boiler or pressure vessel operating at over 15 pounds pressure, and shall annually between Oct. 15 and Dec. 1 file a revised list thereof."

It is also required that all boiler and pressure vessels "shall be inspected at least twice each year; one internal inspection shall be made, and one external inspection shall be made each year. The inspection shall be made at intervals of approximately six months."

Boiler underwriters point out that the department is attempting to set up requirements usually found in a state boiler inspection law, but state that the attempt to force compliance is being made by directive which is deemed illegal. The department previously had been advised that the boiler underwriters and insurance fraternity would favor adoption of the model boiler inspection law now in effect in many states.

### Mueller Speaks in Peoria

PEORIA, ILL.—There is no objection to social legislation which is beneficial to the people, but only when it harms the democratic way of life, E. H. Mueller of Milwaukee, executive secretary National Association of Accident & Health Underwriters, told a meeting of the Accident & Health Underwriters Association of this city.

"If our country was made great through free enterprise and if legislators design laws to destroy this free enterprise, then they are passing legislation that is harmful, not only to the insurance business, but to the people as a whole," he said.

W. H. Eyre, president of the Peoria association, presided.

## Indemnity of N. A. Is at 25 Year Mark; Eyes Foreign Fields

Indemnity of North America is observing its 25th anniversary Sept. 15.

Indemnity began business as a wholly-owned subsidiary of North America. At June, 1945, assets were nearly \$60 million, and surplus to policyholders, plus voluntary reserves, nearly \$23 million, and loss reserves equalled approximately 100% of earned premiums.

Indemnity in 1929 became a leader in adopting a plan of merit rating, by which pleasure car-owners earned credit rates for continued accident-free records. That plan has continued for 14 years. It has now been extended to include commercial cars. Having departed from prescribed bureau rating procedure by adopting the principle of merit rating, Indemnity retired from the National Bureau in 1929.

In 1933, North America, by that date the parent not only of Indemnity but Alliance Casualty, as well, in the interest of forming one strong casualty and surety organization, fully reinsured Alliance Casualty in Indemnity.

In 1939 was established its annual agents advisory committee. In its first meeting, some 15 agents studied operations, criticized policy forms, advised on procedure; in fact, told the young company its faults and its virtues. These committees continue to review each year almost every phase of Indemnity's operation. Postponed by war conditions, in 1945, the committee will meet in 1946.

Indemnity claims to have originated 37 forms of insurance and bonds, including building and loan blanket bonds, blanket liability and student medical reimbursement insurance. More recently came some radical changes in rating technique in the fidelity and surety field. This unorthodox treatment met with approval of the agency committee.

Indemnity emphasizes the ability to underwrite unusual risks. Every day, policies in binders and typewritten in their entirety provide tailor-made coverage. Whether written on a basis of sales, payroll, units of production, or most any suggested plan, Indemnity strives to meet the situation.

Vice-president Calvin S. Roberts states that with the United States a world factor, American business will venture farther afield in foreign lands and Indemnity will follow the flag.

## Confer on Publicizing Ill. Responsibility Law

The insurance group that is cooperating with Illinois state officials in the proposed program for publicizing the financial responsibility act that becomes effective Jan. 1 conferred at Springfield Tuesday with representatives of the secretary of state, department of public works and buildings and insurance department. The suggested text of an explanatory booklet and billboard poster design was submitted to the state officials, but a conclusion was not reached. Other meetings are scheduled for Friday.

The Joseph Hicks Organization, Chicago, is the publicity counsel.

Hartford Accident will conduct a series of meetings in Illinois to discuss with agents the automobile financial responsibility law and some of the educational and sales pointers that will be used in connection with it. The schedule is Oct. 5, Edgewater Beach Hotel, Chicago; Oct. 8, Rockford; Oct. 9, Peoria, and Oct. 10, Champaign.

Frank P. Handley, assistant secretary in charge of automobile business at the home office, will conduct the meetings.

The company also is conducting a series in Wisconsin where there is a new financial responsibility law effective Jan. 1. These will be at Eau Claire Sept. 27, Rice Lake Sept. 28, Milwaukee Oct. 1, Madison Oct. 2, and Appleton Oct. 3.

## ACCIDENT AND HEALTH

### S. C. High Court Finds \$5 Auto Policy Noncancellable

The South Carolina supreme court has upheld judgment of the lower court finding that a \$5 automobile accident policy of Mutual Benefit Health & Accident was, in fact, a non-cancellable contract despite the fact that it contained a provision that the acceptance of any renewal premium shall be optional with the insurer. However, the supreme court reversed the judgment of the lower court in awarding \$1,250 punitive damages to the assured. The actual damages amounted to only \$46.50. The case was *Harwell vs. Mutual Benefit H. & A.*

Harwell carried the insurance seven years and then it was terminated by Mutual Benefit H. & A. on May 1, 1943 by its refusal to accept further annual premium payments. The assured contended that the policy provisions are so ambiguous and so equivocally expressed that it should not be construed as term insurance but as a continuous non-cancellable contract. The policy in heavy black type on the first page stated that the death benefit without

increase is \$1,000 and with full increase it is \$2,000 and on the bottom of the same page there is a statement that after the first year's premium has been paid each year's renewal premium shall add \$100 to the death benefit until the same amounts to \$2,000.

The supreme court stated there is nothing on the first page to put the insured upon notice that the insurer reserved any right to refuse the acceptance of any renewal premium. Neither is there on page 2 anything to put him on warning. On page 3 at the end of the policy under what the court calls the "casual heading" of "additional provisions" is there any suggestion that the acceptance of an annual renewal premium shall be optional.

Harwell contended that the provisions of the policy work such a change in the insurance, by reason of their equivocal and inconsistent terms, that it ceased to be term insurance and became in effect assimilated to lifetime insurance, terminable like life insurance only upon failure to pay the premiums as they fell due.

It is true, the supreme court stated, that the policy does provide in fine print

at its end that the acceptance of any renewal premium shall be optional with Mutual Benefit H. & A. but stated that too much has gone before "which, to our mind, conflicts with this provision, and conflicts to such an extent as to justify the construction that the policy was a continuous, non-cancellable contract."

The supreme court stated it recognizes the general rule that the ordinary insurance policy covering accident is generally regarded as a species of term insurance, not renewable except with the consent of the insurer. But this formula is not so rigid that it may not undergo modification when the particular provisions of the policy require it. The policy in question must be considered as being of a dual nature having incongruous elements in its composition.

#### Wants Conspicuous Heading

"It seems to us only fair," the court stated, "that an insurer acting in good faith should insert in a conspicuous place in a policy an express, unequivocal provision with respect to the right of renewal, especially where, as in this case, no provision is made for the cancellation of the policy."

Thomas, Cain & Black of Columbia, G. Badger Baker of Florence were at-

torneys for Mutual Benefit H. & A. and McEachin & Townsend of Florence represented Harwell.

### Air Accident Cover Has Timely Appeal Today

Now that the system of priorities for airplane travel is about to be removed, a great many business men who have grounded themselves during the war years are planning to make all or most of their trips by air. The expectation is that a far greater number of business travelers will think first of the airplane when making their plans than there were that did so prior to the war.

These men become excellent prospects for the special aviation accident policies that a number of the companies are featuring. Usually if the matter is brought to their attention, they will buy policies with large principal sum. Generally it is the principal sum alone that offers the appeal and many policies are sold that contain nothing more than accidental death benefits. While the cost of these annual policies might be higher than if the man should buy insurance on a trip basis at the airport every time he flies, yet the convenience of handling the matter in a single transaction appeals to him.

Agents find that this is an extremely fertile field just now and that a systematic mail or telephone campaign among selected prospects brings excellent results.

### Maternity Benefits to Be Viewed at Mich. Parley

LANSING, MICH.—Commissioner Forbes has set Sept. 28 as the date for a conference with representatives of health and accident companies for a general discussion of the status of so-called wholesale and franchise coverage. Complaints have been received by the department relative to terminations of such contracts which are written on an individual policy basis but in group lots and with special rate concessions and broader coverage than would ordinarily be given for a single policy.

The basis of complaint relates almost exclusively to maternity hospitalization cases. Policyholders, many of them war workers now released from employment, contend that, because the contracts provided no maternity benefits for the first nine months after their issuance, there should be a nine-months' extension of such coverage after termination. Companies writing group embodying similar benefits recently renewed a pledge to grant nine-months' extensions in maternity cases but it is understood that no such concession is being made in individual contracts written under the wholesale plan.

The commissioner has not committed himself on the question. There are no statutory provisions in the Michigan code for the writing of health and accident business on the wholesale basis although the department has not interfered with the placing of such contracts, he pointed out.

### Fidelity Health & Accident Opens Detroit Office

Fidelity Health & Accident Mutual has appointed Ed. M. Miller general agent in Detroit, with offices in the Book building. He has been with the company in various capacities for many years.

Mr. Miller expects to employ men veterans and will train them as he did those at Fort Custer and Percy Jones hospital, Battle Creek, Mich., where he recently directed and taught classes in salesmanship under the sponsorship of the Kalamazoo Sales Executives Club. Continuous sales and insurance training also will be provided both for full and part-time men and women agents. New sales plans, policies and ideas will be developed at the Detroit office as a "proving ground."

Mr. Miller's territory will comprise the eastern Michigan, including Flint,



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Pontiac, Bay City, Saginaw and Ann Arbor.

### Pacific Mutual A. & H. Sales Increase 163% This Year

LOS ANGELES—Written business in the commercial accident and health department of Pacific Mutual Life increased 163.5% in August over the same month last year. Written business the first eight months this year was 124.7% over the same period of 1944.

When the Big Tree Club year closed on July 15, W. Dwight Mead, Seattle, emerged once more as Pacific Mutual leader in the commercial accident and health field. He recently observed his 40th anniversary in insurance. At a luncheon tendered in his honor by Walter R. Hoefflin, Pacific Mutual general agent at Seattle, Mr. Mead's record of field success, participation in insurance association affairs and other contributions were cited as an inspiration to young men entering the field today.

### Christopher Named Dallas Manager of American H. & L.

Henry C. Christopher, who entered the employ of American Hospital & Life of San Antonio, Tex., as an accountant and served in the various capacities until he was made vice-president in charge of agencies, has resigned to become manager of the Dallas agency, succeeding Ted Teel, who has resigned because of ill health and will be a special representative.

### Seltzer Retires as General Agent; Coulson Successor

Ralph E. Seltzer, who has been associated with Monarch Life for 24 years, the last 15 as general agent at Philadelphia, has retired at the age of 75 years.

George C. Coulson was appointed

general agent there to succeed him. He has had long successful experience in life insurance selling. He is a native of Pittsburgh, and after three years with the Bell Telephone Company entered the sales field. He was in the automobile business at Pittsburgh and on the Pacific Coast, latterly in the wholesale department of Nash Motor Company, assisting dealers.

### McHugh and Fowler Named by Pacific Mutual

LOS ANGELES—Pacific Mutual Life has made two additions to its home office agency staff. The group sales department, headed by R. A. McHugh, group sales supervisor, has been augmented by S. B. Watkins, assistant group sales supervisor. He is a graduate of University of Wisconsin, has had long experience in insurance and is well versed in all phases of group insurance practice.

The accident and health sales department, in charge of C. H. Fowler, commercial A. & H. sales supervisor, is supplemented by the appointment of S. L. Stratton, assistant sales supervisor. He has had wide experience in all forms of personal insurance, and in recent years has specialized in personal production and managerial work in the accident and health field.

### Scans A. & H. Legislative Results

J. F. Follmann, Jr., manager of the Bureau of Personal Accident & Health Underwriters, has prepared a summary of the 1945 legislative season. He finds that 53 bills affecting the writing of accident and health insurance were introduced into the state legislatures. Of these 34 were passed.

The general tendency of the legislation, he said, was to bring the laws of the various states up to date with current trends in the A. & H. field. Emphasis was placed on group, family group, franchise and selected group coverages, recognizing, defining and regulating these forms of coverage. Cognizance was also taken of schedule policies in several states.

One state, Florida, was the first to enter into affirmative and effective regulation of accident and health rates.

### Moock Speaks in Detroit

DETROIT—H. G. Moock, vice-president of the Plymouth division of Chrysler Corporation and managing director Chrysler Corporation Conference on Business Management, addressed the first fall meeting of the Detroit Accident & Health Association Tuesday. He is one of the city's outstanding authorities on marketing and sales management. E. H. Neumann, Great Northern Life, presided.

## COMPENSATION

### New California Laws Go into Effect Sept. 15

SAN FRANCISCO—A number of changes in California's compensation laws and regulations become effective Sept. 15. However, the termination of the war automatically eliminates the extension of \$30 maximum weekly compensation benefits.

### Increase for Minors

Under a new measure the industrial accident commission will take evidence in other jurisdictions before agencies authorized to hear compensation. The probable average weekly earnings of minors is increased to \$32.61 from \$18.

Other measures provide for 7% interest on awards if not paid when due and a 10% increase in awards if unreasonably delayed.

The industrial accident commission may award a reasonable attorney's fee in

## BITUMINOUS CASUALTY CORPORATION

ROCK ISLAND ILLINOIS

### FINANCIAL STATEMENT

June 30, 1945

#### ASSETS

<b>BONDS (Amortized Values):</b>	
United States Government .....	\$10,149,888.48*
Political Subdivisions of State .....	63,419.49
Railroad .....	50,942.02
<b>TOTAL BONDS .....</b>	<b>\$10,264,249.99**</b>
<b>STOCKS (Market Values):</b>	
Preferred — Railroad, Public Utility, Industrial and Miscellaneous .....	\$ 276,053.00
Common — Railroad, Public Utility, Banks and Industrial .....	497,930.00
<b>TOTAL STOCKS .....</b>	<b>773,983.00</b>
Investment in Bituminous Fire and Marine Insurance Company .....	350,000.00
Cash .....	1,822,169.38
Premiums in Course of Collection less than 90 days due .....	799,729.64
Accrued Interest on Bonds .....	29,658.24
<b>TOTAL ADMITTED ASSETS .....</b>	<b>\$14,039,790.25</b>

#### LIABILITIES

Reserve for Claims .....	\$ 7,097,974.37
Reserve for Unearned Premiums .....	2,819,022.57
Reserve for Unpaid Dividends .....	66,989.04
Reserve for Taxes and Reinsurance .....	787,618.91
Reserve for Commissions and Other Expenses .....	544,847.11
Other Liabilities .....	30,577.47
<b>TOTAL LIABILITIES .....</b>	<b>\$11,347,029.47</b>
Capital Stock .....	\$ 1,000,000.00
Surplus .....	1,000,000.00
Voluntary Contingency Reserve .....	692,760.78
<b>SURPLUS AS REGARDS POLICYHOLDERS .....</b>	<b>2,692,760.78</b>
<b>TOTAL LIABILITIES, CAPITAL AND SURPLUS .....</b>	<b>\$14,039,790.25</b>

\*United States Government Bonds carried at \$369,395.15 in the above statement are deposited as required by law.

\*\*Market value of bonds \$320,194.53 in excess of above amortized values.

United States Government Bonds and Cash represent more than 85% of the Total Admitted Assets.

## BITUMINOUS FIRE AND MARINE INSURANCE COMPANY

### FINANCIAL STATEMENT

June 30, 1945

#### ASSETS

<b>United States Government Bonds (amortized values) .....</b>	
Cash .....	\$340,094.92*
Agents' Balances not over 90 days due .....	10,856.16
Accrued Interest on Bonds .....	19,860.63
Other Assets .....	1,032.29
<b>TOTAL ADMITTED ASSETS .....</b>	<b>13,010.81</b>
<b>TOTAL ADMITTED ASSETS .....</b>	<b>\$384,854.81</b>

#### LIABILITIES

Reserve for Claims .....	\$ 5,285.80
Reserve for Unearned Premiums .....	23,015.12
Reserve for Taxes and Expenses .....	5,220.75
<b>TOTAL LIABILITIES .....</b>	<b>\$ 33,521.67</b>
Capital Stock .....	\$200,000.00
Surplus .....	100,000.00
Voluntary Contingency Reserve .....	51,333.14
<b>SURPLUS AS REGARDS POLICYHOLDERS .....</b>	<b>351,333.14</b>
<b>TOTAL LIABILITIES, CAPITAL AND SURPLUS .....</b>	<b>\$384,854.81</b>

\*United States Government Bonds carried at \$240,094.92 in the above statement are deposited as required by law.

Market value of bonds \$3,289.46 in excess of above amortized values.

# ANCHOR



## CASUALTY COMPANY

ST. PAUL, MINNESOTA

Anchoring Assures Smooth Sailing

AUTO - ACCIDENT  
BURGLARY  
LIABILITY  
PLATE GLASS  
COMPENSATION  
FIDELITY - SURETY

addition to compensation in any case where an employer is uninsured.

A subsequent injury fund is established with a \$200,000 appropriation from the state's general fund. In the past the fund was made up of contributions from the employer of every employee who died as a result of an injury arising out of and in course of his employment, but who left no person entitled to a death benefit. Benefits are now limited to particular types of disability which, when combined with the effects of subsequent compensable injury result in disability equal to 70% or more of total.

The discount rate on lump sum payments is reduced from 6 to 3%. There are several other miscellaneous provisions.

### Name Committee at Seattle to Draft 25% Increase Bill

A committee to draft an initiative measure calling for 25% increase in compensation benefits under the monopolistic act, was appointed at a meeting in Seattle by 20 Republican members of the Washington legislature.

The move to seek a place on the 1946 ballot for the measure is an aftermath of the fight in the 1945 session in which

the left wing sought unsuccessfully to jam through a bill calling for the increase and elimination of merit rating. Conservative Democrats joined the Republican minority and were successful, by a tie vote, in blocking elimination of merit-rating. The left wing refused to withdraw the merit rating provision from its bill and after it failed to pass the Republicans brought out another measure incorporating the increased benefits without reference to merit rating but this was defeated.

### Bond Buyer Wins Award

SAN FRANCISCO—The California district court of appeals has upheld an award by the industrial accident commission to an employee injured on his way to the office to pick up a war bond he had bought through the payroll savings plan. The employer claimed that the employee was not covered by compensation because he had checked out but the court ruled that calling for the bond was in furtherance of his employment and general operations of the employer.

The Employers Mutual Casualty of Des Moines has been licensed in Ohio.

Grange Mutual Casualty has moved into the building at Town and High streets, Columbus, which it purchased a few months ago.

## CHANGES IN CASUALTY FIELD

### Pierce Standard's Educational Chief

Maurice J. Pierce, office manager of the New York branch of Standard Accident, has been appointed to direct the new educational department, which is being formed to assist in training Standard employees returning from service, as well as offering a permanent means of training and education for company employees and Standard agents and their employees. Training courses covering various phases of casualty insurance, bonding and property insurance will be available.

Mr. Pierce is a graduate of the University of Illinois, and did graduate work at Columbia and New York University. For some time he was an instructor in accounting at the University of Illinois. He joined with Standard Accident in 1924 in its second student class. He was assigned to the supervising department, handling employment, personnel, office systems and procedures, both at home office and branch offices. In 1929 he was made office manager in Chicago and later became chief casualty underwriter.

Mr. Pierce went to New York in 1936 as office manager and later entered production work, recently specializing in group insurance. He has lectured for the Insurance Societies in both New York and Chicago and assisted in preparation of an insurance accounting course for the New York Society.



M. J. Pierce

1935. In 1940 he joined National Automobile & Casualty as home office claim manager, moving to Houston three years ago.

### Jacobus Resigns; Stabb Is San Francisco Manager

E. A. Stabb has been named manager of the San Francisco branch office by American Indemnity and will assume charge Sept. 15. He succeeds M. E. Jacobus, who resigned.

Prior to joining American Indemnity, Mr. Stabb was with Johnson & Higgins for 15½ years, located in Chicago and Detroit. Since February, 1939, he has been manager of the casualty and surety department of the Detroit office of Johnson & Higgins.

### O'Malley Goes to West Coast for Fidelity & Casualty

John R. O'Malley, who has been recently discharged from the army, will go to San Francisco the middle of September as supervisor of agencies in the Pacific Coast department of Fidelity & Casualty. He previously held a similar position in the home office at New York.

### Miller to Accident & Casualty

Phil D. Miller, since 1937 with Associated Indemnity in San Francisco, has been appointed superintendent of the claims department in San Francisco of Accident & Casualty. Mr. Miller started with Maryland Casualty in San Francisco in 1926. He later graduated from the San Francisco Law School in 1931.

### Randall, Meyer Named by Eagle

George F. Randall has been placed in charge of the personal accident and health department of Eagle Indemnity in the New York metropolitan office. He was recently released from the army. Previously he had been with Preferred Accident.

Henry U. Meyer has been appointed special agent for Eagle Indemnity in the same office. For the past nine years he has been with Fidelity & Deposit in New York. In his earlier days he was with Royal Indemnity.

### Bullitt Am. Surety Trustee

William Marshall Bullitt of Bullitt & Middleton, Louisville, insurance law firm, has been elected a trustee of American Surety. Mr. Bullitt is also counsel and director of Citizens National Bank, Fidelity & Columbia Trust Co., Louisville, trustee and member of the executive committee of Mutual Life and a trustee of Carnegie Endowment for International Peace.

### Charbonnel Is Retiring

Jean E. Charbonnel, manager at Seattle for Fireman's Fund Indemnity and Western National Indemnity, is retiring. He will be succeeded by James R. MacKay, who has been with Fireman's Fund group since he graduated from the University of California law school in 1934.

### Ebeling Back at U. S. F. & G. Post

Chris A. Ebeling, Jr., has returned to civilian life and has resumed the management of the Washington office of United States Fidelity & Guaranty.

Mr. Ebeling was in the navy three years. Formerly with Fidelity & Deposit for 13 years, Mr. Ebeling became special representative of U. S. F. & G. in 1937 and in 1941 was promoted to manager.

A full lieutenant in the navy, he began military service in the fall of 1942. He went through the officers training camp at Fort Schuyler, N. Y., and more recently took advanced intelligence training at New York.

Assigned to navy intelligence, Mr. Ebeling was on special duty on the

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Planned promotions on every type of casualty insurance makes a well rounded sales program easy for Buckeye Union agents. Personal contacts help build local reputations and up-to-date sales helps get new business. Your inquiry will also receive individual attention.

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**SERVING THE 6 STATES OF THE BUCKEYE UNION**

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**ATWELL, VOGEL & STERLING, Inc.**

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Atlantic Coast, with headquarters most of the time at Cape May, N. J. He was preparing for assignment to the Pacific when the Japs caved in.

#### De Vesty Manager at Hartford

NEWARK—Malcolm de Vesty, who has been manager here for the Century Indemnity and Standard Surety & Casualty, has been promoted to manager in charge of Connecticut and Rhode Island with headquarters at Hartford, Conn. He has been succeeded at Newark by William A. Sadler, who has been with the companies in the western department at Chicago for the last 15 years.

## SURETY

### New Towner Rates Official for Texas

AUSTIN, TEX.—Casualty Commissioner Gibbs announces that the Texas board of insurance commissioners has approved, effective Sept. 6, sharp reductions in certain bond rates and premiums compared to the charges previously made by a majority of the insurance companies. These new rates are the same that the Towner bureau companies

adopted in other jurisdictions some time ago.

Schedule fidelity bonds, primary commercial blanket bonds, excess commercial blanket bonds, blanket position bonds, employees blanket bonds, bankers, brokers, and other financial institutions blanket bonds and forgery bonds may now be written on a three-year premium basis for  $2\frac{1}{2}$  times the annual premium. This amounts to approximately an 18% reduction.

Savings, building and loan association bond rates are reduced an additional 20%.

Bridge contract bonds for completion period of 12 months or less, have a reduction in rates from \$10 per \$1,000 to \$7.50 on the contract price. If the stipulated time for completion is over 12 months, the rates have been reduced from \$15 per \$1,000 to \$10 per \$1,000.

Performance bond rates for curbing and guttering contracts have been reduced from \$10 to \$7.50.

Highway and paving contract performance bond rates were reduced from \$10 to \$7.50.

These approvals were the first granted under the new law enacted by the last legislature, which places practically all casualty and surety bond rates under state supervision.

Under the Texas law, these are the rates that must be charged by all companies. There is no provision for deviation filings. The only difference in cost that is permitted is by way of policy dividends.

voted upon at the annual meeting, Sept. 24. Wesley Barns will be chairman and George Voth and Frank Noble, members.

#### Carey to Address N. J. Group

NEWARK—At the first luncheon meeting of the Casualty Underwriters Association of New Jersey Monday, President Ernest E. Ehlers announced plans were under way for a joint meeting with the Surety Underwriters Association of New Jersey in November. It is anticipated Commissioner Carey of New Jersey will speak. A social evening to be held in December was discussed.

#### To Discuss Local and Long Haul

W. L. Frigon, automotive safety engineer, will discuss automotive safety in local and long haul transportation with particular emphasis on driver training and selection at the meeting of the

Casualty Engineers Association of Chicago Sept. 14. This is a dinner meeting at the Y.M.C.A.

#### Group Hears Handwriting Expert

Detection of handwriting frauds was discussed by George W. Schwartz, C.P.A., at the dinner meeting of the Chicago Claim Association Tuesday evening.

The directors of Life Insurance Association of America have adopted a memorial resolution to L. Edmund Zacher, late president of Travelers.

Edward Bernard, 72, vice-president and general manager Automobile Insurance Agency, Cincinnati, and secretary Cincinnati Automobile Club 15 years, died there. He was prominent in Democratic political circles and was a leader in the fight to obtain a license for the automobile club agency.

## WANT ADS

#### WANTED

Experienced Surety Man as Assistant Underwriter in Los Angeles. Permanent position with good opportunity for advancement. All replies held strictly confidential. State age, qualifications, previous experience and salary desired. Address C-90, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

#### AVAILABLE

Energetic young man with 15 years insurance experience. At present manager of casualty department of large general agency. Experience includes aviation underwriting. Desire responsible job with future. Address Box C-93, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

#### WANTED

Experienced insurance comptroller. Must have knowledge of insurance taxes, investments, insurance reports, statistics, I. B. M. tabulating equipment. Excellent opportunity with a Michigan Automobile Insurance stock company. All replies will be kept confidential. Address Box C-95, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

#### WANTED BY GENERAL AGENCY

Experienced Casualty and Workmen's Compensation Underwriter. Knowledge of Fire and Surety Bond Business helpful. Prefer man age 30-35. Write giving full details of experience and salary expected.

O'Rourke and Royer, Inc.  
General Agents  
740 Gas & Electric Building  
Denver 2, Colorado

#### WANTED

Atlanta resident, combination auditor and safety engineer, all casualty lines. Georgia-Carolina territory. Give full information as to experience, age and qualifications, and salary expected. Reply will be held confidential. Address C-96, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

#### WANTED

#### SUPERVISOR — ACCIDENT & HEALTH

Chicago territory—Company office—permanent position—offers excellent opportunity. State full particulars as to experience, age and salary desired. Address C-96, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### FIELD MAN WANTED

Splendid opportunity for experienced casualty field man in northern Illinois with one of the leading stock companies. Our employees know of this ad, and all replies will be held strictly confidential.

Address D-7, The National Underwriter  
175 W. Jackson, Chicago 4, Ill.

#### Find Shortage in Tennessee

NASHVILLE, TENN.—A state audit of the county trustee's office is required to be made annually but has not been made for 13 years, it was disclosed following arrest of C. E. Buie, former cashier in the Davidson county trustee's office on charges of being short \$52,000 in county funds. It was said Buie has admitted taking five checks. State Comptroller Sam Carson said the state auditors are working in Knox county where they are still 10 years behind, and they will be there a year longer. Records in Shelby county, it was said, have not been audited for about 14 years, but audits of Hamilton county records were brought up to date in April.

## ASSOCIATIONS

#### Importance of Insurance to Grain Business Told

About 200 attended the first fall meeting of the Casualty & Surety Underwriters Association of Kansas City, including members of the Associated Industries of Missouri.

After introducing the guests at the speaker's table who included the officers of the local Associated Industries of Missouri, O. R. Leeds, manager of U. S. F. & G., and president of the association, turned the meeting over to Earl T. Scott, vice-president of the Chas. D. Williams Agency, who introduced the speaker, Frank A. Theis, Mr. Theis, a prominent figure in the grain business and president of the Kansas City Chamber of Commerce, discussed "Relation of Insurance to Industry." He said that the grain and milling industry was absolutely dependent on insurance to conduct its business.

#### Meet in Los Angeles Sept. 17

LOS ANGELES—The Casualty & Surety Fieldmen's Association of Southern California will hold its first fall meeting on Sept. 17. President Robert E. Masterson will name a nominating committee.

#### Des Moines Slate Drafted

DES MOINES—Ray Clearman, president Des Moines Casualty and Surety Club, announced the nominating committee which will select a slate to be

## Accident, Health, Casualty, Fidelity & Surety

★

# ACCIDENT AND CASUALTY INSURANCE COMPANY

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111 John Street • New York, N. Y.

Ogden Davidson  
United States Manager

Charles A. Barkie  
U. S. Assistant Manager

#### Mid-Western Department

INSURANCE EXCHANGE • HARRISON 8888

Hugh T. Millard, Manager

Harold T. Ross, Assistant Manager

# POINTERS FOR LOCAL AGENTS

## Export Business Booming, Good Field for Agents

In the past six months export business from the United States has almost doubled, according to estimates of F. J. Franklin, head of the Franklin Forwarding Company of Chicago. Much of this business has been developing in Central and South America, but in recent weeks shipments have begun to roll once more to Persia, India and South Africa. The Philippine Islands and the Far East have opened up, and as soon as funds are "thawed" in the islands there should be a spurt of exports to that area.

It is estimated by authorities in the field that U. S. exports will reach \$8 billion or more in five years, compared with \$5¼ billion in 1939.

### Excellent Opportunity

The situation presents an excellent opportunity to the average agent or broker who knows manufacturers or business firms that are selling abroad or that are planning to do so, Mr. Franklin stated. Many manufacturers now are soliciting export business with new accounts, with accounts that have been inactive because of the war, or with customers whose trade in the United States has been dormant for years.

On less than half of the shipments handled by the Franklin company does Mr. Franklin, who is an insurance broker, place marine coverage. The other business goes through the shippers' regular agent or broker. Mr. Franklin uses an open policy for those shippers for whom he arranges insurance protection. His office then prepares certificates for each shipment. The insurance covers from the shipper's warehouse or factory to the destination. It is "warehouse to warehouse" coverage and is all risk. Before the war there used to be some demand for free of particular average coverage, or F.P.A. with marine, where the shipper had an item not susceptible to rust or damage by sea water. However, demand for this less expensive type of protection practically disappeared with the war, and it is not expected that shippers will ask for it to any extent, at least for a long time.

The agent needs only to know a little about the business the shipper is doing, talk the language, and arrange for the coverage, Mr. Franklin said.

### Principal Export Items

The big business in export consists of radios, refrigerators, washing machines, automobile and airplane parts, used machinery, chemicals, particularly fertilizer, acids and the like; certain food items like corn syrup; plumbing supplies, of which car loads are going to South America.

Mr. Franklin's business has increased roughly 250% in the past half year. Shipments to South and Central America include a variety of items. A mail order house is sending hinges to Venezuela, an automobile springs company is shipping to Columbia, a drug firm sent 15,000 pounds of its products to Costa Rica, 2,000 pounds of auto springs went to Guatemala—these are typical orders of recent weeks. One shipper has on his desk \$500,000 of orders, consisting of automobile replacement parts for Central and South America, the Philippines and other foreign destinations.

There will be a big demand for used machinery of various kinds, Mr. Frank-

lin said. Between eight and 10 carloads of this type of equipment are being moved by the Franklin company itself to Mexico each month, and other quantities are going to Venezuela and other countries south of the border. Machine tools are moving to Cuba, Porto Rico and Mexico now.

### U. S. Portion to Grow

Germany used to be the big producer of technical machines, but the United States will now get a large share of this business. In the past England got a considerable share of the business, but it lost headway during the war. It is getting back into the market now in a vigorous way.

In the far east Japan was the largest supplier of machinery and equipment. The United States should fall heir to much of the business now. The Japanese were copiers of German, English and American items, cameras for example. Mr. Franklin told the story of the American camera manufacturer who sent out a shipment to Japan in 1912 and in 1919 went to Japan personally to learn why there had been no repeat orders. He found millions of his cameras in use in Japan and the Far East, but they carried the name of a Japanese manufacturer. China has produced little but food products and drugs for export. It will be a big buyer of American equipment and staple materials.

India has opened up for American export business. The other day the Franklin company handled a \$10,000 order for brine coolers, the first of such in five years.

Business has opened up in the Philippines but up to the present the money has had to go through an unfreezing process through the State Department. A number of carloads per month are going to Hawaii.

### Some of Difficulties

One of the general difficulties at the moment is the necessity of manufacturers securing licenses from the foreign economic administration in Washington before shipping abroad. Some restrictions have been eliminated, notably those of the office of defense transportation which previously required permits for the shipment of items by carload. The elimination of FEA licensing has been promised and would help. Also, in spite of the fact that the United States has the largest merchant marine fleet in the world, it is still necessary to scramble for space. As additional steamship service becomes available, the export business of the country will be greatly facilitated.

The freight forwarding services make it just as easy to ship goods to Calcutta as to Valparaiso, Ind., Mr. Franklin pointed out. It puts the foreign shipper on a level with the domestic companies doing a domestic business. The forwarding companies arrange to pick up the shipment, get it to its port, aboard a steamer, through the customs house, etc. It prepares bills of lading, arranges for insurance, prepares consular invoices, certificates of origin, all necessary ship permits such as dock receipts that are necessary before a shipment can get on to an embarkation dock. For this the forwarding company charges \$8.50.

Mr. Franklin's business started with

the export of automobile springs some years ago and at one time was handling the exporting of 12 million pounds of springs a year. It branched out into other lines such as auto replacement parts of which it now has a big share of the business going abroad.

## REAL OPPORTUNITY

Perhaps the best bet for local agents now who are desirous of getting into new pastures is to dig rather deeply into the ocean marine field. Most agents have been afraid of this class and have stayed away from it. They looked at it as something distant, rather formidable, difficult to handle and there was no one at hand to help comparable to the special agent or special man in the fire and inland marine field. Now, however, with industries found in districts that they did not inhabit before and with the activity that will start in manufacturing civilian goods there will be a constant demand for marine insurance.

Some of the so called world industries that were organized only for a special war purpose will stop altogether. Others will be converted to other lines. An agent therefore should canvass his own territory to ascertain what concerns will be exporting or importing. It is generally agreed that it is highly desirable to have some member of a firm or organization take hold of the marine insurance question, study it in its various aspects and be ready to render service. There will be much more business now to be had throughout the central west, Pacific Coast and south. Heretofore New York brokers have

had more or less of a monopoly on this insurance. Now the tendency of a number of companies is to develop local agencies that will get the business and serve it. Some offices already have special men who will assist local agents in caring for their marine business.

### Financial Responsibility

One of the most difficult points will be to decide whether a purchaser in a foreign country is financially responsible. There will be a heavy demand for all sorts of goods but the question is where will the money come from to pay the bill. However, there can be started a flow of one class of goods from the United States to another country and another country to the United States. Immediately there will be built up a shipping and a necessity for marine insurance. Local agents can therefore secure service near at hand which has not been available before. They have gotten into the habit of looking to their fire special agents or branch offices to assist them in places where they do not feel safe. They have not had the opportunity of leaning on anyone in connection with marine insurance. Now marine service is available. The main step for an agent to take is to familiarize himself with marine insurance and ascertain where he can get the best source of service from a marine company or office.

Marine companies take the ground that unless local agents learn to handle the marine accounts of their customers and do it in an intelligent way they will soon find themselves displaced because other agents are edging in on marine insurance and once they get a foothold with a customer they are very likely to get his other business.

## Medical Reimbursement Feature Splendid Means of Approach

At times a graphic incident enables agents to use it most successfully in their approach. One of the best is an accident that shows the desirability of medical reimbursement in automobile insurance, which covers injuries to those in a car.

Just the other day a well known agent discovered that he had neglected to put a medical reimbursement rider on his automobile liability policy. It so happened that a member of his family was shopping, with her arms full of bundles and a friend came along with a car and told her she would take her to her home. The friend had a dog in the front seat and he was relegated to the rear, but after a block or two the dog decided he would come to the front and made a leap into the front seat, hitting the passenger violently in the head.

### Lost Control of the Car

The driver held out her arm to push the dog back. She lost control of her car and ran into a telephone post. The car was smashed and her friend suffered a broken arm, a fractured wrist, five ribs cracked and she was badly jolted, bruised and shocked. She was taken to the hospital and after a week or so pneumonia set in.

### Had No Reimbursement Policy

The girl owner of the car did not carry medical reimbursement insurance. Naturally she was much humiliated and abashed at the accident. It would have been far more gratifying to her if she had been able to tell her friend that her insurance company would take care of

her hospital and medical expense. The fact that she did not carry medical reimbursement caused her, therefore, much mental discomfort. In many automobile cases the fact that a person has insurance and therefore is relieved of embarrassment in case of injury to others is a big factor.

### Dogs Source of Accident

There are many automobile accidents due to dogs being in a car. One company reported that during the last two years it had some 500 claims of what might be called a major nature. The driver would attempt to look after the dog rather than stay at the wheel and control his car. In one state at least legislation was proposed prohibiting carrying of an animal in a car unless it was on a leash not over two feet.

The medical reimbursement feature offers as fine an excuse for an agent to approach an automobile owner as could be found.

Huge warning signs are being posted along Tennessee highways with such slogans as: "Children Should Be Seen and Not Hurt," "No Hospital Here. Drive With Caution," "It's Better to Drive Slow Than Die Fast," "Driving After Drinking Is Dangerous," "Motorists, You'll Never Reach 70 by Driving 70," and "It's Better to Kill Time Than People."

The superior court of Riverside, Cal., has approved the probate sale of the Ross J. Carter agency there to Marcus W. Menzies.

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# INSURANCE NEWS BY SECTIONS

## MIDDLE WESTERN STATES

### Kansas Extended Cover and Tornado and Hail Rates Up

WICHITA—Increased tornado and hail and extended coverage rates including tornado and hail have been released in Kansas as a result of an unfavorable loss ratio during the past five years. Tornado and hail rates on "ordinary" construction were increased from 24 to 26 cents and on wind-resistive construction from 14 to 16 cents. Dwellings and properties of the dwelling class were increased from 19 to 21 cents. Gross extended coverage rates were likewise increased 2 cents, ordinary construction from 28 to 30 cents; wind-resistive from 20 to 22 cents and the dwelling classes from 17 to 19 cents, which also includes household furniture and fixtures in private living quarters. Similar increases were published on all the various abnormal tornado hazard classifications. The increase on farm property was limited to dwellings and household goods and personal property (other than household goods) excepting certain special classes and was a 2 cent increase on one year cash plan; 5 cents on three year and 8 cents on five year cash plan. On the five year note plan the rate is increased 9 cents.

At the same time the reduced rates for holders of "A" and "B" ration cards previously granted on private passenger automobile collision were cancelled.

### Read and Beattie Consider Program for Illinois Agents' Meeting: Slate Prepared

Merle A. Read of Joliet, Ill., president Illinois Association of Insurance Agents, and J. J. Beattie of Rockford, board chairman, met in the Chicago executive office Monday with Lillian L. Herring, executive secretary to go over program details for the abbreviated annual meeting to be held in the Pere Marquette hotel, Peoria, Sept. 28. Attendance under the ODT restrictions will be limited to 150 from outside the city. The general membership will not attend but the meeting will be conducted by the officers and executive committee. In addition there will be local board presidents and secretaries who have been invited to sit in at a luncheon meeting.

The nominating committee report was received by the secretary for the purpose of conducting a mail vote on officers for the succeeding year. The slate is the same as at present save that McCullough Winters of Quincy, past president, is moved from advisory committee chairman to state national director. In the latter post he succeeds W. Herbert Stewart of Chicago.

The nominating committee consists of Elmer P. Hoggatt, Urbana, chairman; Alvin Skoog of the R. W. Troxell agency, Springfield, and John A. Johnson, Jr., of the Johnson & Johnson agency, Rockford.

Standing committee reports that will be read at Peoria are: Casualty and surety, by R. B. Ayres, Hinsdale; budget and finance, E. F. Engelhard, Chicago; educational, Lyle H. Gift, Peoria; pub-

To replace the late James E. Hayes, Jr., manager of the Detroit branch of Travelers Fire as chairman of the executive committee of the Michigan Fire Underwriters Association, A. J. Knaak, Connecticut Fire, has been appointed to the post, and John R. Horn, Travelers Fire, has been added to the committee.

lic relations, W. J. Laadt, Chicago; rural agents, Charles E. Kepner, Rochelle; grievance, H. H. Monier, Champaign; accident and fire prevention, H. L. Regan, Joliet; auto, fire and marine, Frank Smith, Champaign; forms and rules, C. I. Thomas, Springfield; legislative, L. W. Zonsius, Chicago.

### Cincinnati Courses in Many Lines to Start Sept. 25

CINCINNATI—Courses will be offered by the University of Cincinnati Evening College in cooperation with the Cincinnati Fire Underwriters Association, beginning Sept. 25, in fire and allied lines, accident and health, inland marine, salesmanship, boiler and machinery and aviation. The two-year study course of the National Association of Insurance Agents is being repeated with the hours stepped up.

Instructors are: G. B. Maggini, Perkins & Geoghegan, fire and allied lines; W. R. Dignan, W. E. Lord Company, accident and health; T. F. McMahon, North America, inland marine; E. A. Russell, T. E. Hanlon general agency, aviation; E. M. Murray, Hartford Steam Boiler, boiler and machinery; F. W. Potter, agency supervisor Aetna Casualty, salesmanship. The fire and allied lines and accident and health courses will be offered the first semester, and the balance of the courses the second semester.

Mr. Maggini is educational chairman.

### Hail Season Turning Out Fairly Good This Year

MINNEAPOLIS—The hail insurance season ends Sept. 15 (except for soy beans) with a generally favorable experience in Minnesota, North and South Dakota. In the latter state a few companies are in the red but both Minnesota and North Dakota will return substantial profits for most companies.

Two or three rather bad storms the last few days of August did considerable damage in southern Minnesota. A September heat wave has caused underwriters to keep their fingers crossed but they got through the first week with no severe losses.

There is quite a lot of soy bean acreage in southern Minnesota and there is, of course, the possibility of some losses there in the remaining two weeks that soy bean protection runs.

### KANSAS-OKLA. REPORT

The Kansas and Oklahoma hail loss clearing house issued its final bulletin showing a total of 11,244 losses for the season. Rain & Hail Bureau reported 1965; Hartford 679; Midland General Agency 1276; America Fore 1059; Great American 829; Miller-Studebaker 1244; Home 1200; Cavanaugh Company 961; Van Arsdale & Osborne (St. Paul) 1981; and Hussey & Hussey General Agency 50.

### Hotchkiss Joliet President: Hold Blue Goose Matches

Phelps Hotchkiss of the Munroe Brothers agency, Joliet, Ill., was elected president of the Joliet Association of Insurance Agents at the annual meeting, the other officers being: Vice-president, Edward Relyea, Relyea agency; treasurer, Ernest Klafter; secretary, Janet Young, Ruger A. Young agency; directors, J. Raymond Lennon, Illinois Securities; Eric Anderson, and C. F. Daniels, Insurance Buyers agency.

At the annual field day held at Big

Run golf course north of Joliet, the Blue Goose joined in holding its northern Illinois qualifying round for the annual golf tournament. The qualifiers were Leo N. Davis of American of Newark; J. L. Cassell, London Assurance, and A. W. Baxter, Scottish Union & National, all of Chicago. A number of managers and general agents from Chicago and other points attended.

### Three Ohio Districts to Nominate New Trustees

Theodore M. Gray, secretary of the Ohio Association of Insurance Agents, has announced three district meetings this month to nominate trustees of the association. The 8th district meeting will be held at Smithville Sept. 12. The retiring trustee is Eckley R. Chase of the Spitzer agency, Medina. Mr. Chase, who is a member of the Ohio association's finance accounts committee, will speak on bank-agent automobile finance. Mr. Gray also will speak.

The 5th district meeting will be held at Lima Sept. 14 to name a successor to Trustee John R. Hare of Bellefontaine. William A. Davison of Lima, member of the state association finance accounts committee, will talk on bank auto financing. The 2nd district meeting will be held at Athens, Sept. 20. A successor to Trustee E. M. Farley of Caldwell will be selected. Bank auto finance and association and legislative questions will be discussed.

### Defunct Milwaukee Mutual to Get 39% Refund

MILWAUKEE — Policyholders of the defunct Mid-Continent Mutual of Milwaukee who paid a voluntary assessment several years ago in a last effort to save the automobile insurance company from liquidation, will receive a refund of 39% of the assessments paid at that time. After a representative of the insurance department, which has been liquidating the mutual, testified sufficient funds remain in the liquidation to make the refund, Judge Breidenbach in Milwaukee county circuit court ordered the refund. The court also approved payment of \$14,100 attorney's fee to Frank T. Boesel, Milwaukee, insurance department counsel in the liquidation. The total includes payment of \$75 per day for 24 days, and \$50 per day for 246 days.

### Bell Resigns as Vice-Pres. of Iowa Agents Association

Dick Bell, head of the Bell Insurance Agency at Atlantic, Ia., and prominent in the Iowa Association of Insurance Agents, has resigned as vice-president of the organization. In a letter to the executive committee, he gave business reasons for the resignation. He has done much organization, legislative and membership work and was a close personal friend of the late R. W. Forshay of Anita, Ia., former National association president.

The executive committee is expected to meet in September to act upon the resignation and discuss plans for holding a state meeting this fall.

### Ind. U. East Chicago Branch Evening Insurance Course

The extension division of Indiana University at East Chicago will offer a 17-week course in property insurance this fall, starting Sept. 17. Classes will be held Monday evenings from 7 to 9:15 and will run until Jan. 21. The course will include fire, allied lines, marine,

automobile, casualty and surety lines.

J. C. O'Connor, Chicago, editor "Fire, Casualty & Surety Bulletins" and associate editor THE NATIONAL UNDERWRITER, will be the instructor. He conducted the same course at East Chicago in 1942, which was very successful, and has been in charge of similar courses at Central YMCA College in Chicago for the past nine years.

### East Chicago-Hammond Outing Set for Sept. 27

The East Chicago (Ind.) and Hammond Insurance Agents Associations will hold their 13th annual joint dinner and outing Sept. 27 at Lake Hills Country Club, St. John, Ind.

R. J. Belzeski, East Chicago, is ticket chairman. Both luncheon and dinner will be served and golf and other sports will be available in the afternoon, with an entertainment program in the evening.

### Mo. Agents Are in Session at Jefferson City

With Superintendent Scheufler as the headliner, the Missouri Association of



E. L. Scheufler



Harry M. Gambrel

Insurance Agents is gathered in annual session at Jefferson City, Thursday of this week. President Harry M. Gambrel of Kansas City is presiding.

Governor Donnelly of Missouri, who was booked to appear before the meeting finds that he will be unable to accept.

### Major Hardell Is Back on Job

Maj. Waldo E. Hardell, director of Charles W. Sexton Company, Minneapolis, has been discharged from the army air corps after 3½ years of service. He entered the army as a lieutenant, earning his promotions in the service while here and overseas. He was active in combat intelligence work with a B-17 bomber group in England for about a year, then became assistant military attache to Sweden, serving there for five months prior to return to the United States for processing and discharge. He flew in the first group of bombers to run the shuttle bombing of Germany. He has been on leave of absence from Sexton Company and plans to resume his work there about Sept. 15.

### Fire Course in Columbus

COLUMBUS, O. — A short course on fire administration is being held this week at the Ohio State University with Prof. Harvey Walker as director. The Ohio Inspection Bureau, Mill Mutuals, Associated Factory Mutuals, Factory Association and Ohio Mutual Insurance Union are cooperating. Speakers include R. D. MacDaniel, Grain Dealers Mutual; R. C. Steinmetz, Mill Mutual Fire Prevention Bureau, Chicago; Emmett Cox, Western Actuarial Bureau, Chicago; W. J. Davis, Automobile Protective & Information Bureau, Chicago; George Tatnall, National Board, Chicago; C. G. Lauber, National

Board New York, and Allen C. Guy, district manager Western Adjustment, Columbus.

### Help in Minneapolis Fund Drive

A team made up entirely of insurance men to solicit insurance men for the 1945 Minneapolis war chest will be made up of members of the Insurance Club of Minneapolis with Clyde Helm, secretary Insurance Federation of Minnesota, as team captain. The campaign gets under way this month. The Insurance Club will open its fall activities with a luncheon meeting Oct. 8.

### Will Meet to Plan Kan. Convention

The executive committee of the Kansas Association of Insurance Agents will meet at Kansas City Sept. 13-14. All members and Victor G. Henry, National association executive committee member, have indicated that they will attend.

The principal item for consideration will be details of the annual meeting at Topeka Nov. 7-8. George Staebler, Jr., secretary of the Topeka association and general chairman of the convention committee, and Edwin S. Nellis, who will assist with general arrangements, will meet with the executive committee.

### Commissioner to Speak Sept. 17

"Current Opportunities in Insurance Education for You and Your Employees" will be a feature of the program at the annual meeting of the Minneapolis Underwriters Association at the Leamington hotel Sept. 17. This part of the program will be sponsored by the Minneapolis Insurance Women's Association and the National Association of Insurance Agents. Commissioner Johnson will give a talk on "Your Problems." Reports for the year will be read and officers elected.

### Frenchick Elected at Sioux City

SIOUX CITY, Ia.—The Sioux City Fire & Casualty Underwriters Association has elected John Frenchick, president, and John Sanborn, vice-president. Ross P. Brown was reelected secretary-treasurer. The executive committee is composed of Leo Hassenger, retiring president, Robert S. Andrews and Franklin Britton. Progress was reported on the bank-agency automobile financing arrangement being worked out with the local clearing house members.

### Newcomb Talks in Milwaukee

MILWAUKEE—At the first fall meeting of the Milwaukee Board of Fire Underwriters, W. E. Newcomb, assistant manager Western Underwriters Association, discussed the new Wisconsin standard fire policy which goes into effect Oct. 1.

### Knudsen Before Range Group

EVELETH, MINN.—William Knudsen of Hibbing, newly-elected president of the Minnesota Association of In-

surance Agents, will be the guest of honor and speaker at the Sept. 13 meeting here of the Range Underwriters Association. Mr. Knudsen long has been a leader in the range association, the oldest and largest regional in Minnesota.

### A. F. Johnson Starts Own Firm

Arnold F. Johnson has opened his own independent adjusting organization know as Pioneer Adjustment Co. with office at 513 Pioneer building, St. Paul. He has been associated more than 20 years with Main & Baker, independent adjusters.

### Rejoin Dulaney, Johnston & Priest

Howard N. Fullington, Dulaney, Johnston & Priest, Wichita, has returned to the agency from the army air forces at Dayton. Captain Charles Black, a solicitor with the agency, is also returning, having been released from the army air forces also.

### Brown with Central Kan. Bureau

Central Kansas Adjustment, Wichita, has named H. F. Brown a staff adjuster. Mr. Brown, formerly associated with the Western Adjustment in Wichita was captain in the army air corps in the European theater. The Central Kansas Adjustment has taken larger quarters in the Wheeler, Kelly Haggy building.

### New Michigan Laws in Effect

LANSING, MICH.—The new standard fire policy and state fire fund laws are now in effect.

### NEWS BRIEFS

A committee of the Cincinnati Fire Underwriters Association will take an important part in the war chest drive beginning Oct. 8, with Harold O. Roth, chairman, and J. F. Schweer, association secretary, as vice-chairman.

C. E. Gesme, Benson, Minn., executive committeeman of the Minnesota Association of Insurance Agents, has been elected president of the First State Bank of Benson.

Gustav May, prominent local agent of Cincinnati, has been appointed chairman of the chamber of commerce fire prevention committee for Fire Prevention Week.

The Minnesota Fire Prevention Association will inspect Moorhead Sept. 20.

The St. Paul city council has authorized purchase of a \$14,790 "quad" fire engine for use in a new fire station

### Football Strategy Pamphlet

General Accident has published a booklet of unusual seasonal interest entitled "What to Look for in Football and Why?" It was written by George A. Munger, coach at the University of Pennsylvania. In diagram fashion it outlines the various offensive and defensive formations that are seen on the gridiron and tells something about strategy so that the ordinary spectator may get a keener appreciation of the play.

to be erected on the west side to replace two old ones.

Frank J. Landwehr has taken over the Hillabrand & Landwehr agency, Perryburg, O., following the death of Mr. Hillabrand.

R. W. Stuhman, special agent Northern Assurance, discussed the personal property floater before the Insurance Women of Des Moines.

Three of the top officials of the National Association of Insurance Women were honored at a tea by the St. Paul

association. They were Fern H. Anderson, national president, St. Paul, and Miss Maida Pitblado, secretary, and Miss Marcella Belse, budget director, both of Minneapolis.

Twenty members of the Insurance Women's Club of Detroit have signed up for the fall and winter bowling season.

The Insurance Women's Association of Kansas City at a dinner meeting Sept. 17 will hear Mrs. W. L. Bridges review Ben Lucient Burman's book, "Rooster Crows For Day."

## IN THE SOUTHERN STATES

### Pettigrew Heads Knoxville Agency

KNOXVILLE—The J. E. Lutz & Co. local agency has elected W. D. Pettigrew as president and treasurer.

Mr. Pettigrew has had 32 years of service with the agency and heretofore has been vice-president. As president



W. D. PETTIGREW

he takes the place left vacant by the death of Edwin R. Lutz.

Mr. Pettigrew has served as president of the Knoxville Insurance Exchange and of the Tennessee Association of Insurance Agents. He also for many years was a director and executive committee member of the state association. He has just retired as national director representing Tennessee on the N.A.I.A. board.

He was a leader in promoting the course of instruction in fire, casualty and surety insurance sponsored by the school of business administration through the division of university extension of the University of Tennessee. He is educational director for Tennessee of the N.A.I.A. short course school.

Other officers elected are: John C. Jacobs, vice-president; W. Russell Bris-

coe, secretary; John E. Lutz II, assistant secretary, and A. F. Goddard, assistant secretary-treasurer. Barnett Kenimer continues as manager of the life, accident and group department.

### Newton Avey Is Honored on 50th Year in Insurance

The 50th anniversary was completed in August by the Newton Avey agency of Oklahoma City. Newton Avey started with the L. Overholser & Co. agency of Oklahoma City in 1894 and a year later purchased the interest of Henry Overholser. Mr. Avey's name as agent first appeared in that year on the records of Hartford Fire, Springfield F. & M. and Aetna Fire. The agency name was changed to Overholser & Avey, and upon retirement of W. L. Overholser in 1932 Mr. Avey became sole owner and changed the name to Newton Avey agency. He retired from active service last February, when Ted R. Moore, who had been associated with him for 13 years, acquired an interest and assumed management.

In honor of his anniversary, a banquet was given by Hartford to 25 of Mr. Avey's close associates and employees. L. E. Grigsby, assistant manager of the western department of Hartford at Chicago, presented Mr. Avey a gold medal and designation from the company for faithful and efficient service.

### Mathes Fla. State Agent for Irby-McKinney Co.

Irby-McKinney Company, general agent of Atlanta, has appointed O. Allen Mathes as state agent supervising the general agency business in Florida.

Mr. Mathes has had many years' experience in producing and underwriting fire, casualty and marine lines. For the last 20 years he has been prominent in the Florida insurance business, and he has been a resident of Jacksonville and vice-president in Florida for Columbia Casualty and Ocean Accident.

### Egan Takes Charge of Little Rock Agency

LITTLE ROCK—Dan J. Egan, for several years manager of the casualty and inland marine department of the

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E. E. Raines Co. general agency at Little Rock, has resigned to become head of the insurance department of Fausett & Co., Little Rock local agency.

Mr. Egan at one time was a member of the staff of the Louisiana Rating Bureau at New Orleans, and for a while was connected with a New Orleans local agency before going to Arkansas as special agent of the Employers group.

#### Prevention Week Plans for Ky.

The fire prevention week campaign is being organized in Kentucky with unusual earnestness. The committee has sent out about 1,000 letters to school superintendents, fire chiefs, civic clubs and it is hoped that there will be a speaker in either the school or civic club in 85 cities during the week.

The student poster contest is being extended from a local one to statewide and the students are divided into three classes, those up to and including the fifth grade, those in the sixth, seventh and eighth grades and those in high school. Prizes will be awarded to winners in each group. An outstanding committee on awards has been selected.

Chairman of the general committee is Commissioner Wilson and chairman of the active committee is George Burks, president of the Louisville local board. Other members of the active committee are Richard K. Langan, president Kentucky State Fire Prevention Association; Frank Taylor, fire chief of Owensboro, and president Kentucky Firemen's Association; George Gibson, president of the Speakers Club, and W. M. Chittenden, deputy state fire marshal.

#### Warns of Kentucky Rule

LOUISVILLE—Some agents have been writing farm property under dwelling house form 49 instead of under farm property forms, Insurance Director Wilson has notified local agents of the state by letter. He stated doubtless the violations were unintentional, but to prevent repetition he quoted the rules filed and approved by the insurance department. Wilson warned that his division would insist that the rules be complied with, and if they are not, it will take action. The agent who violates will be required to retire from the line.

#### Tennessee Meeting Date Set

CHATTANOOGA, TENN. — Hotel arrangements have been made and the annual meeting of the Tennessee Association of Insurance Agents has been definitely scheduled for Tuesday and Wednesday, Oct. 16-17, in Chattanooga. Sessions will be held in the Hotel Patton. The Chattanooga Insurance Exchange, headed by President J. W. Olliphant, will be official hosts.

Manager R. T. Cawthon of the Tennessee Association addressed the Johnson City and Knoxville Insurance Exchanges Tuesday night and Wednesday noon on the bank and agent plan.

#### Delta Group Meets at Jackson

The Delta Mississippi Association group of the state association will hold a meeting at Jackson Sept. 19 at the Robert E. Lee hotel. This is the first time that the Delta association will have held a meeting outside of the Delta. H. D. Maddox, Jackson general

#### H. L. Gorden Utah Speaker

Harry L. Gorden, superintendent of the engineering department of Continental Casualty and National Casualty with headquarters at Chicago, addressed the annual safety conference of the Utah-Nevada Safety Society at Salt Lake City. "Indirect Cost of Accidents in Smaller Industries" was his topic. He emphasized the importance of safety engineering service for smaller businesses that do not have their own safety department. He pointed out that the answer to the problem of this type of operator is the up-to-date engineering services provided by insurance companies.

agent, extended the invitation to hold the meeting at his city. He is an enthusiastic horse man. The Mississippi State Horse Show will be held at Jackson Sept. 18-19.

#### Oklahoma Parley at Woodward

All capital stock agents in western Oklahoma have been invited to attend the first meeting of the season of the executive committee of the Oklahoma Association of Insurance Agents, at Woodward, Sept. 14. The business session will be followed by a complimentary luncheon and program directed by J. M. Figley, Figley & Salz agency of Woodward, who has charge of local arrangements.

#### Fire Losses in Atom City

OAK RIDGE, TENN.—Fire losses in the last year for the atomic bomb plant buildings and installations and for this city of 75,000 population, with 14 fire companies and approximately 200 firemen, were only \$95,000. A plant maintenance building was burned with a loss of \$50,000.

#### Sends Out Query on Fla. Meet

ST. PETERSBURG, FLA.—President J. Howard Gould of the Florida Association of Insurance Agents is polling the membership on the question of holding an annual meeting. Ideas on time, place and subjects to discuss are asked.

#### Queen & Queen to Build

ST. PETERSBURG, FLA.—Queen & Queen agency here is erecting a modern home office building. C. L. Queen is retiring, after 20 years, to devote himself to management of his own properties.

#### NEWS BRIEFS

Haston, Boyd, Mitchell & Ashcroft, San Antonio, Tex., adjusters, have opened an office at McAllen, Tex., in charge of C. F. West, formerly with Hammerman & Gainer of Austin.

Frank B. Falkstein, Aetna Life, is chairman of the San Antonio, Tex., community war-chest. O. J. Van Horn, Cadwallader & Van Horn agency, heads the financial and investment division.

The Memphis fire department is planning to construct six new engine houses to house new fire equipment, increasing the number of fire companies from 19 to 25.

H. L. Farish, Oklahoma City local agent, has returned after serving three years in navy aviation.

National Farmers Union Automobile of Denver has been licensed in Oklahoma. Tom W. Cheek is general agent. George Megee, Fairbanks, Okla., has sold his agency to L. C. Yager, doing business as the Yager Realty Co. Mr. Megee is moving to Estlinola, N. M., where he will enter school work.

## EAST

#### Vermont Annual Meeting at Rutland Sept. 25

The Vermont Association of Insurance Agents will hold its annual meeting at Rutland, Sept. 25. Originally scheduled for Sept. 20, it became necessary to change dates at the last minute due to the inability of certain speakers to be present. It will be held at the Rutland Country Club and golf tournament will be held in the morning. Prizes will be given to both agents and company representatives.

Present plans call for speakers on such subjects as aviation insurance and the bank and agent auto plan. Among those scheduled to speak are Norton Prentiss, Boston representative of Aero Insurance Underwriters, J. H. Eberly of the Aetna group and Roy Duffus, prominent Rochester agent.

The program will get under way at 1:30 in the afternoon with a business

meeting and the rest of the afternoon session will be devoted to addresses. A banquet will be served.

#### Delaware Agents' Annual Meeting at Dover Friday

The annual meeting of the Delaware Association of Insurance Agents will be held at Pleasant Inn, Dover, Friday. The election of officers will take place, and the association's recommendations to the commission appointed by the governor for study and the recommendation to the next session of the legislature of insurance laws will be discussed.

Earle S. Philips of Wilmington is president.

#### Ray Dreher Slated at New England Meeting

The inability of Commissioner Carroll of Rhode Island to take part in the meeting of the New England advisory board at Poland Spring, Me., Sept. 17-18, due to illness, has made necessary a last minute change in plans. Lt.

Col. Ray C. Dreher, manager of the advertising and business promotion departments of Boston and Old Colony, will be the substitute.

George H. Reama, vice-president in charge of production of American Screw Co., Providence, will speak to the agents' group at the dinner on "Can We Save Our Free Enterprise System?"

The board has extended invitations to be present to Benjamin M. Hermess, executive manager of the New England Fire Insurance Rating Association, and A. C. Hudson, secretary New Hampshire Board of Underwriters.

Miss Theodora J. Deelanyder, who has been an employee of Oscar H. Cushman of Newark for seven years, has become a partner in the Cushman agency.

#### Schedule Refresher Course

COLUMBUS, O.—Buckeye Union group will hold a four day school here starting Oct. 16, for 35 returned service men and new agents. S. W. Schellenger, superintendent of agencies, and John A. Dodd, Jr., assistant secretary of the fire company, will give it. A refresher course is to be held for returning service men every six months.

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## PACIFIC COAST AND MOUNTAIN

### Cal. Agents Meet at L. A. Nov. 13-14

The annual meeting of the California Association of Insurance Agents will be held at Los Angeles, Nov. 13-14. President Neil Harris is engaged in completing the program. Originally a restricted one day meeting had been planned before restrictions were lifted.

### F.U.A.P. Courses Underway

SAN FRANCISCO—New fall classes on inland marine, tariff rules and rating and fire insurance have been started by the Fire Underwriters Association of the Pacific.

The inland marine class is being conducted by R. E. Cathcart, special agent Commercial Union group. Leland C. Shay, Hinchman, Rolph & Landis, is the instructor in the tariff rules and rating classes.

The third year course in fire insurance, starting Sept. 13, will be conducted by John G. Lauci, M. M. Meherin & Son, and Lynni M. Latta, Travelers Fire.

### Los Angeles Educational Program Is Resumed; Hold Dinner This Week

LOS ANGELES—The Insurance Association of Los Angeles will resume its educational program in October with classes in the 100-hour course

of the National Association of Insurance Agents. The agency management and casualty insurance sections will lead off. Enrollment of about 1,000 is anticipated. The course is open to all persons in the insurance business. A committee headed by Vice-president Robert J. White, chairman, is in charge of the program. Classes are conducted on the discussion method with association members leading, assisted by company special agents and managers.

In appreciation of the work of those taking part as leaders and advisors, the association was host at a dinner at the Biltmore Hotel Monday evening. The discussion leaders, all association members, were: H. H. Granrud, Kenneth Belknap, J. St. Paul White, C. Q. Brady, Milton Levitt, H. J. Ross, Benjamin McNeill, D. B. Willcuts, Nathaniel Horwitz, William Chamberlain, and W. C. Murray. Company men present who were expert advisors were: Marshall Rankin, special agent Aetna Fire; R. S. Robertson, branch manager Seeley & Co.; Paul Ragan, special agent Hartford and president of the Southern California Fire Underwriters Association; M. L. Burg, city manager Phoenix-Connecticut group; Harold Smethurst, assistant manager Travelers; C. A. Blanchard, special agent Security companies; G. L. Bulkley, Fireman's Fund group; J. H. Corbett, marine manager St. Paul-Mercury group; Harry Hallam, casualty superintendent New Amsterdam Casualty; F. T. Homer, special agent Hartford Accident; Ted Springfield and Floyd Gelvin, Fireman's Fund group; George Wilson, special agent

Maryland Casualty and Allen C. Sears, special agent Globe Indemnity.

President W. H. Menn of the association, who is past president N.A.I.A.; Vice-president R. J. White, who is educational committee chairman, and W. P. Herbert, association manager, took part.

### Kerr-Gifford Flour Mill Sustains \$280,000 Loss

Fire from undetermined origin gutted the large Kerr-Gifford & Co. flour mill at Pendleton, Ore., Aug. 29, with estimated insurance loss of \$280,000. Employees changing shift at 11:45 p.m. discovered the blaze in the top of the structure but it had gained too much headway to be brought under control.

The mill originally was built in 1887 and was a landmark located just across the Umatilla river from the famed Pendleton round-up grounds. Stock insurance was carried under provisional form with limit of \$125,000 and estimated loss is total to value, which at the time of loss was slightly less than the policy limit.

Buildings and equipment loss will probably run \$125,000 with insurance totaling \$150,000. Business interruption coverage on the 50% specified time form, without the war emergency broad form endorsement, is estimated at total to insurance carried of \$30,000. A number of agents and companies are involved in the coverage and the adjustment is being handled by Frank Wright, branch manager of the Fire Companies Adjustment Bureau in Portland.

### Montgomery Joins Salt Lake City General Agency

SALT LAKE CITY—W. J. H. Montgomery, for the past 15 years special agent for Home for Utah, southern Idaho and Nevada, has become associated with E. G. Eldredge Co. general agency here. The firm will be known as Eldredge-Montgomery Co., General Agents. It has Utah, southern Idaho for Federal Union, Home F. & M., Western National, Columbia of New York and Phoenix Indemnity.

The Eldredge firm was established in 1939. The expansion program since Mr. Montgomery joined the firm involves opening a service office at Boise, with Mr. Montgomery in charge. The headquarters will remain in Salt Lake.

### Discuss Work Week

LOS ANGELES—Length of the work week in insurance offices is being discussed by managers and general agents. The topic occupied the entire time of the meeting of the Casualty Association of Southern California but no conclusion was reached.

Several of the larger offices have gone on a five day, eight hour week, closing Saturdays. Some of the other offices that formerly had been on a 36 and 38 hour weekly basis, are continuing on that same basis.

### General Agents Confer

SEATTLE—A special meeting of the Northwest General Agents Association was held here. The status of agents and solicitors under the state unemployment compensation act was discussed. A committee to consult with the Washington insurance department in connection with the recodification of the insurance laws was appointed. Stuart G. Thompson is chairman.

### Idaho Agents Meeting

The annual meeting of the Idaho Association of Insurance Agents will be held at the Owyhee hotel at Boise Sept. 28-29. Harry Poulson of Boise is president.

### Lowe Named Secretary

LOS ANGELES—T. Parker Lowe, southern California manager Anchor Casualty, has been appointed secretary-

treasurer of the Insurance Forum of Los Angeles.

### Wright Opens Agency

LOS ANGELES—Arthur H. Wright, formerly with Accident & Casualty in Detroit, has opened an agency here at 510 W. Sixth street.

### New Oregon Directory

A new membership directory has been issued by the Oregon Association of Insurance Agents.

### NEWS BRIEFS

At the first fall luncheon of the Fire Underwriters Forum of San Francisco on Sept. 19, Lieut. Christian Hayes, San Francisco fire department, will demonstrate fire fighting maneuvers and equipment.

W. C. Grant, formerly with the First National Bank of Baker, Ore., has purchased a half interest in the J. W. Crawford agency there.

George L. Peterson, who has been with Northwestern Mutual Fire, has opened his own agency at 324 Yeon building, Portland, Ore.

Change from a Class 10 to a Class 8 National Board grading for Moses Lake, Wash., is announced by the Washington Surveying & Rating Bureau.

The Hoquiam, Wash., agency of Charles Ryckard & Son has been sold to Robert Durney, Jr.

Edward C. Stipe, formerly underwriter for United Pacific, has opened a new agency at 415 Park building, Portland, Ore.

The Seattle Insurance Women held a theater party.

Insurance Women of Los Angeles will have an educational course starting Oct. 1. Early classes will cover automobile insurance.

### Seeking Higher Collision Rates in Illinois

Some of the members of the National Automobile Underwriters Association met with Insurance Director Parkinson of Illinois in Chicago Tuesday to discuss the subject of collision rates. The department approved an increase of 25% the first of the year. It was recognized at that time that this increase was not sufficient but the companies were willing to go along. Now, however, with automobile classifications so far as gasoline rationing is concerned being off credits for A and B cards are meaningless. The collision loss ratio is rapidly mounting and the companies feel that they should have a reasonable increase.

It is said the collision loss ratio in Illinois so far this year is about 130%.

The Kansas City Accident & Health Association at its luncheon meeting Sept. 14 heard Stanford Miller, manager of the accident and health department of Employers Reinsurance, discuss "Looking Forward in the Accident and Health Business."

## DEATHS

Elmer E. Baker, vice-president in charge of claims for United Pacific, died in Seattle after an illness of two months.

Frank B. Burdall, 64, resident manager of Fidelity & Casualty at Washington, D. C., since 1921, died there suddenly on Sept. 9 at a hospital while preparations for an emergency operation were in progress. His widow and two sons survive. Mr. Burdall started in the insurance business in 1910 with a Philadelphia agency and two years later was made branch manager at Philadelphia for Massachusetts Bonding. He joined Fidelity & Casualty as bond manager in Philadelphia in 1920 and a year later was appointed resident manager at Washington. He was a past president of the Casualty & Surety Underwriters Association of Philadelphia.

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# Congratulations are in Order!

No headlines blazon your victories . . . no medals gleam upon your chests . . . yet you fire insurance men have earned a salute from all America! Thanks to your all-out fire prevention work, vital war production has been spared the terrible toll of fire. Thanks to your untiring efforts, Americans in every walk of life have been aroused to meet the menace of fire. And thanks to the protection you have provided, workers on the home front and fighting men overseas can drive ahead, with untroubled minds, to Victory!

Yes, you fire insurance men have done fine work. But an even greater task lies ahead. For with each day, the fire hazard mounts. In the haste and confusion of war many normal precautions are being relaxed or overlooked, while safety factors are being extended dangerously.

To meet this challenge, fire prevention work must be pushed to the limit. War production must be safeguarded from the crippling losses of fire.

Tune in Earl Godwin, veteran Washington newspaperman and commentator, every Thursday night on the Blue Network. See your local newspaper for time and station.

Protection must be provided for the new construction to be undertaken as wartime controls are eased. America must be aroused to meet the dangers of wartime obsolescence . . . must be awakened to the fact that today's broader markets must be cultivated more actively than ever.

Great, indeed, is the task before us. Yet it will grow in magnitude until Victory and beyond. Only by determined and unremitting effort can we meet the great responsibilities and even greater opportunities which face us today.

*Harry F. Ogden*  
President

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**Through the mail . . .** Planned for *The Man with the Plan* direct mail campaigns . . . letters, circulars, postcards, etc. . . are sent out complete and free of charge to selective mailing lists of Employers' agents.

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